



# आरत का राजपत्र

## The Gazette of India

११५८६

असाधारण

## EXTRAORDINARY

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PART II—Section 1

प्राधिकार के प्रकारित

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इस भाग में खिल पृष्ठ संख्या हो जाती है जिससे कि यह अलग संकलन  
 की क्षमता देने का सक्ते।

Separate paging is given to this Part in order that it may be filed  
 as a separate compilation

MINISTRY OF LAW AND JUSTICE

(Legislative Department)

New Delhi, the 13th May, 1986/Vaisakha 23, 1908 (Saka)

The following Act of Parliament received the assent of the President  
 on the 13th May, 1986, and is hereby published for general information:—

## THE FINANCE ACT, 1986

No. 23 OF 1986

[13th May, 1986.]

An Act to give effect to the financial proposals of the Central Government for the financial year 1986-87

Be it enacted by Parliament in the Thirty-seventh Year of the Republic of India as follows:—

## CHAPTER I

## PRELIMINARY

1. (1) This Act may be called the Finance Act, 1986.

(2) Save as otherwise provided in this Act, sections 2 to 47 (except sections 27, 34, 35 and 36) shall be deemed to have come into force on the 1st day of April, 1986.

Short  
 title and  
 com-  
 mence-  
 ment.

## CHAPTER II

## RATES OF INCOME-TAX

2. (1) Subject to the provisions of sub-sections (2) and (3), for the assessment year commencing on the 1st day of April, 1986, income-tax

Income-  
 tax.

shall be charged at the rates specified in Part I of the First Schedule and shall be increased in the cases to which Paragraph E of that Part applies, by a surcharge, calculated in each case in the manner provided therein:

Provided that where an assessee, being a company, has made, during the financial year commencing on the 1st day of April, 1985, any deposit with the Industrial Development Bank of India established under the Industrial Development Bank of India Act, 1964, under the Companies Deposits (Surcharge on Income-tax) Scheme, 1985, then, the surcharge on income-tax payable by the company,—

18 of 1984.

(a) in a case where the amount of the deposit so made is equal to, or exceeds, the amount of surcharge on income-tax payable by it, shall be *nil*; and

(b) in a case where the amount of the deposit so made falls short of the amount of surcharge on income-tax payable by it, shall be reduced by the amount of the deposit.

(2) In the cases to which Sub-Paragraph I or Sub-Paragraph II of Paragraph A of Part I of the First Schedule applies, where the assessee has, in the previous year, any net agricultural income exceeding six hundred rupees, in addition to total income, and the total income exceeds,—

(i) in a case to which the said Sub-Paragraph I applies, eighteen thousand rupees, and

(ii) in a case to which the said Sub-Paragraph II applies, twelve thousand rupees,

then,—

(a) the net agricultural income shall be taken into account, in the manner provided in clause (b) [that is to say, as if the net agricultural income were comprised in the total income after,—

(i) in a case to which the said Sub-Paragraph I applies, the first eighteen thousand rupees, and

(ii) in a case to which the said Sub-Paragraph II applies, the first twelve thousand rupees,

of the total income but without being liable to tax], only for the purpose of charging income-tax in respect of the total income; and

(b) the income-tax chargeable shall be calculated as follows:—

(i) the total income and the net agricultural income shall be aggregated and the amount of income-tax shall be determined in respect of the aggregate income at the rates specified in Sub-Paragraph I or, as the case may be, Sub-Paragraph II of the said Paragraph A, as if such aggregate income were the total income;

(ii) the net agricultural income shall be increased,—

(A) in a case to which the said Sub-Paragraph I applies, by a sum of eighteen thousand rupees; and

(B) in a case to which the said Sub-Paragraph II applies, by a sum of twelve thousand rupees,

and the amount of income-tax shall be determined in respect of the net agricultural income as so increased at the rates specified in Sub-Paragraph I or, as the case may be, Sub-Paragraph II of the said Paragraph A, as if the net agricultural income as so increased were the total income;

(iii) the amount of income-tax determined in accordance with sub-clause (i) shall be reduced by the amount of income-tax determined in accordance with sub-clause (ii) and the sum so arrived at shall be the income-tax in respect of the total income.

43 of 1961.

(3) In cases to which the provisions of Chapter XII or Chapter XII-A or sub-section (1A) of section 161 or section 164 or section 164A or section 167A of the Income-tax Act, 1961 (hereinafter referred to as the Income-tax Act) apply, the tax chargeable shall be determined as provided in that Chapter or that section, and with reference to the rates imposed by sub-section (1) or the rates as specified in that Chapter or section, as the case may be.

(4) In cases in which tax has to be deducted under sections 193, 194, 194A, 194B, 194BB, 194D and 195 of the Income-tax Act at the rates in force, the deduction shall be made at the rates specified in Part II of the First Schedule.

(5) Subject to the provisions of sub-section (6), in cases in which income-tax has to be calculated under the first proviso to sub-section (5) of section 132 of the Income-tax Act or charged under sub-section (4) of section 172 or sub-section (2) of section 174 or section 175 or sub-section (2) of section 176 of the said Act or deducted under section 192 of the said Act from income chargeable under the head "Salaries" or deducted under sub-section (9) of section 80E of the said Act from any payment referred to in the said sub-section (9) or in which the "advance tax" payable under Chapter XVII-C of the said Act has to be computed, at the rate or rates in force, such income-tax or, as the case may be, "advance tax" shall be so calculated, charged, deducted or computed at the rate or rates specified in Part III of the First Schedule:

Provided that in cases to which the provisions of Chapter XII or Chapter XII-A or sub-section (1A) of section 161 or section 164 or section 164A or section 167A of the Income-tax Act apply, "advance tax" shall be computed with reference to the rates imposed by this sub-section or the rates as specified in that Chapter or section, as the case may be.

(6) In the cases to which Sub-Paragraph I or Sub-Paragraph II of Paragraph A of Part III of the First Schedule applies, where the assessee has, in the previous year or, if by virtue of any provision of the Income-tax Act, income-tax is to be charged in respect of the income of a period other than the previous year, in such other period, any net agricultural income exceeding six hundred rupees, in addition to total income and the total income exceeds,—

(i) in a case to which the said Sub-Paragraph I applies, eighteen thousand rupees, and

(ii) in a case to which the said Sub-Paragraph II applies, twelve thousand rupees,

then, in calculating income-tax under the first proviso to sub-section (5) of section 132 of the Income-tax Act or in charging income-tax under sub-section (2) of section 174 or section 175 or sub-section (2) of section 176 of the said Act or in computing the "advance tax" payable under Chapter XVII-C of the said Act, at the rate or rates in force,—

(a) the net agricultural income shall be taken into account, in the manner provided in clause (b) [that is to say, as if the net agricultural income were comprised in the total income after,—

(i) in a case to which the said Sub-Paragraph I applies, the first eighteen thousand rupees, and

(ii) in a case to which the said Sub-Paragraph II applies, the first twelve thousand rupees,

of the total income but without being liable to tax], only for the purpose of calculating, charging or computing such income-tax or, as the case may be, "advance tax" in respect of the total income; and

(b) such income-tax or, as the case may be, "advance tax" shall be so calculated, charged or computed as follows:—

(i) the total income and the net agricultural income shall be aggregated and the amount of income-tax or "advance tax" shall be determined in respect of the aggregate income at the rates specified in Sub-Paragraph I or, as the case may be, Sub-Paragraph II of the said Paragraph A, as if such aggregate income were the total income;

(ii) the net agricultural income shall be increased,—

(A) in a case to which the said Sub-Paragraph I applies, by a sum of eighteen thousand rupees; and

(B) in a case to which the said Sub-Paragraph II applies, by a sum of twelve thousand rupees,

and the amount of income-tax or "advance tax" shall be determined in respect of the net agricultural income as so increased at the rates specified in the said Sub-Paragraph I or, as the case may be, the said Sub-Paragraph II, as if the net agricultural income as so increased were the total income;

(iii) the amount of income-tax or "advance tax" determined in accordance with sub-clause (i) shall be reduced by the amount of income-tax or, as the case may be, "advance tax" determined in accordance with sub-clause (ii) and the sum so arrived at shall be the income-tax or, as the case may be, "advance tax" in respect of the total income.

(?) For the purposes of this section and the First Schedule,—

(a) "company in which the public are substantially interested" means a company which is such a company as is referred to in section 108 of the Income-tax Act;

(b) "domestic company" means an Indian company, or any other company which, in respect of its income liable to income-tax under the Income-tax Act for the assessment year commencing on the 1st day of April, 1986, has made the prescribed arrangements for

the declaration and payment within India of the dividends (including dividends on preference shares) payable out of such income in accordance with the provisions of section 194 of that Act;

(c) "insurance commission" means any remuneration or reward, whether by way of commission or otherwise, for soliciting or procuring insurance business (including business relating to the continuance, renewal or revival of policies of insurance);

(d) "investment company" means a company whose gross total income (as defined in section 80B of the Income-tax Act) consists mainly of income which is chargeable under the heads "Interest on securities", "Income from house property", "Capital gains" and "Income from other sources";

(e) "net agricultural income", in relation to a person, means the total amount of agricultural income, from whatever source derived, of that person computed in accordance with the rules contained in Part IV of the First Schedule;

(f) "tax-free security" means any security of the Central Government issued or declared to be income-tax free, or any security of a State Government issued income-tax free, the income-tax whereon is payable by the State Government;

(g) "trading company" means a company whose business consists mainly in dealing in goods or merchandise manufactured, produced or processed by a person other than that company and whose income attributable to such business included in its gross total income (as defined in section 80B of the Income-tax Act) is not less than fifty-one per cent. of the amount of such gross total income;

(h) all other words and expressions used in this section or in the First Schedule but not defined in this sub-section and defined in the Income-tax Act shall have the meanings respectively assigned to them in that Act.

### CHAPTER III

#### DIRECT TAXES

##### *Income-tax*

3. In section 10 of the Income-tax Act, with effect from the 1st day of April, 1987,—

Amend-  
ment of  
section  
10.

(a) in clause (3), for the words "not being winnings from lotteries, to the extent such receipts do not exceed one thousand rupees in the aggregate", the words "to the extent such receipts do not exceed five thousand rupees in the aggregate" shall be substituted;

(b) in clause (13A), the brackets and words "(not exceeding four hundred rupees per month)" shall be omitted.

4. In section 16 of the Income-tax Act, in clause (i), for the portion beginning with the words "a sum equal to" and ending with the words "whichever is less", the following shall be substituted with effect from the 1st day of April, 1987, namely:—

Amend-  
ment of  
section 16.

"a sum equal to thirty per cent. of the salary or ten thousand rupees, whichever is less".

Amend-  
ment of  
section  
23.

5. In section 23 of the Income-tax Act, with effect from the 1st day of April, 1987,—

(a) for sub-section (2), the following sub-section shall be substituted, namely:—

“(2) Where the property consists of—

(a) a house or part of a house in the occupation of the owner for the purposes of his own residence,—

(i) which is not actually let during any part of the previous year and no other benefit therefrom is derived by the owner, the annual value of such house or part of the house shall be taken to be *nil*;

(ii) which is let during any part or parts of the previous year, that part of the annual value (annual value being determined in the same manner as if the property had been let) which is proportionate to the period during which the property is in the occupation of the owner for the purposes of his own residence, or, as the case may be, where such property is let out in parts, that portion of the annual value appropriate to any part which was occupied by the owner for his own residence, which is proportionate to the period during which such part is wholly occupied by him for his own residence shall be deducted in determining the annual value.

*Explanation.*—The deduction under this sub-clause shall be made irrespective of whether the period during which the property or, as the case may be, part of the property was used for the residence of the owner precedes or follows the period during which it is let;

(b) more than one house in the occupation of the owner for the purposes of his own residence, the provisions of clause (a) shall apply only in respect of one of such houses, which the assessee may, at his option, specify in this behalf;

(c) more than one house and such houses are in the occupation of the owner for the purposes of his own residence, the annual value of the house or houses, other than the house in respect of which the assessee has exercised an option under clause (b), shall be determined under sub-section (1) as if such house or houses had been let.

*Explanation.*—Where any such residential unit as is referred to in the second proviso to sub-section (1) is in the occupation of the owner for the purposes of his own residence, nothing contained in that proviso shall apply in computing the annual value of that residential unit.”;

(b) sub-section (2A) shall be omitted;

(c) for sub-section (3), the following sub-section shall be substituted, namely:—

“(3) Where the property referred to in sub-section (2) consists of one residential house only and it cannot actually be

occupied by the owner by reason of the fact that owing to his employment, business or profession carried on at any other place, he has to reside at that other place in a building not belonging to him, the annual value of such house shall be taken to be *nil*:

Provided that the following conditions are fulfilled, namely:—

- (i) such house is not actually let, and
- (ii) no other benefit therefrom is derived by the owner.”.

6. In section 24 of the Income-tax Act, for sub-section (2), the following sub-sections shall be substituted with effect from the 1st day of April, 1987, namely:—

“(2) No deduction shall be allowed under sub-section (1) in respect of property of the nature referred to in sub-clause (i) of clause (a) of sub-section (2), or sub-section (3), of section 23.

Provided that nothing in this sub-section shall apply to the allowance of a deduction under clause (vi) of sub-section (1) of an amount not exceeding five thousand rupees in respect of the property of the nature referred to in sub-clause (i) of clause (a) of sub-section (2) of section 23.

(3) The total amount deductible under sub-section (1) in respect of property of the nature referred to in sub-clause (ii) of clause (a) of sub-section (2) of section 23 shall not exceed the annual value of the property as determined under that section.”.

7. In section 32A of the Income-tax Act,—

(a) in sub-section (2),—

(i) in clause (c), for the figures, letters and words “1st day of April, 1988,” the figures, letters and words “1st day of April, 1987,” shall be substituted with effect from the 1st day of April, 1987;

(ii) in clause (2) of the *Explanation*, for sub-clauses (i) and (ii), the following sub-clauses shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 1985, namely:—

“(i) in a case where the previous year ends before the 1st day of August, 1980, ten lakh rupees;

(ii) in a case where the previous year ends after the 31st day of July, 1980 but before the 18th day of March, 1985, twenty lakh rupees; and

(iii) in a case where the previous year ends after the 17th day of March, 1985, thirty-five lakh rupees.”;

(b) in sub-section (8), the words “. not being earlier than three years from the date of such notification,” shall be omitted;

Amend-  
ment of  
section  
24.

Amend-  
ment of  
section  
32A.

(c) after sub-section (8A), the following sub-section shall be inserted with effect from the 1st day of April, 1987, namely:—

“(8B) Subject to the provisions of clause (ii) of sub-section (3), no deduction shall be allowed under this section in the case of an assessee who has claimed the deduction allowable under section 32AB.”.

Insertion  
of new  
section  
32AB.

Invest-  
ment  
deposit  
account.

8. After section 32A of the Income-tax Act, the following section shall be inserted with effect from the 1st day of April, 1987, namely:—

‘32AB. (1) Subject to the other provisions of this section, where an assessee, whose total income includes income chargeable to tax under the head “Profits and gains of business or profession”, has, out of such income,—

(a) deposited any amount in an account (hereafter in this section referred to as deposit account) maintained by him with the Development Bank before the expiry of six months from the end of the previous year or before furnishing the return of his income, whichever is earlier; or

(b) utilised any amount during the previous year for the purchase of any ship, new aircraft, new machinery or plant, without depositing any amount in the deposit account under clause (a),

in accordance with, and for the purposes specified in, a scheme (hereafter in this section referred to as the scheme) to be framed by the Central Government, or if the assessee is carrying on the business of growing and manufacturing tea in India, to be approved in this behalf by the Tea Board, the assessee shall be allowed a deduction of—

(i) a sum equal to the amount, or the aggregate of the amounts, so deposited and any amount so utilised; or

(ii) a sum equal to twenty per cent. of the profits of eligible business or profession as computed in the accounts of the assessee audited in accordance with sub-section (5),

whichever is less.

(2) For the purposes of this section,—

(i) “eligible business or profession” shall mean business or profession, other than—

(b) the business of construction, manufacture or production of any article or thing specified in the list in the Eleventh Schedule carried on by an industrial undertaking, which is not a small-scale industrial undertaking as defined in section 80HHA;

(b) the business of leasing or hiring of machinery or plant to an industrial undertaking, other than a small-scale industrial undertaking as defined in section 80HHA, engaged in the business of construction, manufacture or produc-

tion of any article or thing specified in the list in the Eleventh Schedule;

(ii) "new ship" or "new aircraft" or "new machinery or plant" shall have the same meanings as in the *Explanation* to clause (vi) of sub-section (1) of section 32.

(3) The profits of eligible business or profession of an assessee for the purposes of sub-section (1) shall,—

(a) in a case where separate accounts in respect of such eligible business or profession are maintained, be an amount arrived at after deducting an amount equal to the depreciation computed in accordance with the provisions of sub-section (1) of section 32 from the amounts of profits computed in accordance with the requirements of Parts II and III of the Sixth Schedule to the Companies Act, 1956 as increased by an amount equal to the depreciation, if any, debited in the audited Profit and Loss account; and

(b) in a case where such separate accounts are not maintained or are not available, be such amount which bears to the total profits of the business or profession of the assessee after allowing depreciation in accordance with the provisions of sub-section (1) of section 32, the same proportion as the total sales, turn-over or gross receipts of the eligible business or profession bear to the total sales, turn-over or gross receipts of the business or profession carried on by the assessee.

(4) No deduction under sub-section (1) shall be allowed in respect of any amount utilised for the purchase of—

(a) any machinery or plant to be installed in any office premises or residential accommodation, including any accommodation in the nature of a guest house;

(b) any office appliances (not being computers);

(c) any road transport vehicles;

(d) any machinery or plant, the whole of the actual cost of which is allowed as a deduction (whether by way of depreciation or otherwise) in computing the income chargeable under the head "Profits and gains of business or profession" of any one previous year.

(5) The deduction under sub-section (1) shall not be admissible unless the accounts of the business or profession of the assessee for the previous year relevant to the assessment year for which the deduction is claimed have been audited by an accountant as defined in the *Explanation* below sub-section (2) of section 288 and the assessee furnishes, along with his return of income, the report of such audit in the prescribed form duly signed and verified by such accountant.

Provided that in a case where the assessee is required by or under any other law to get his accounts audited, it shall be sufficient compliance with the provisions of this sub-section if such assessee gets the accounts of such business or profession audited under such

law and furnishes the report of the audit as required under such other law and a further report in the form prescribed under this sub-section.

(6) Where any amount, standing to the credit of the assessee in the deposit account, released during any previous year by the Development Bank for being utilised by the assessee for the purposes specified in the scheme or at the closure of the account, is not utilised in accordance with the scheme, either wholly or in part, within that previous year, the whole of such amount or, as the case may be, part thereof which is not so utilised shall be deemed to be the profits and gains of business or profession of that previous year and shall accordingly be chargeable to income-tax as the income of that previous year.

(7) Where any asset acquired in accordance with the scheme is sold or otherwise transferred in any previous year by the assessee to any person at any time before the expiry of eight years from the end of the previous year in which it was acquired, such part of the cost of such asset as is relatable to the deductions allowed under sub-section (1) shall be deemed to be the profits and gains of business or profession of the previous year in which the asset is sold or otherwise transferred and shall accordingly be chargeable to income-tax as the income of that previous year:

Provided that nothing in this sub-section shall apply—

(i) where the asset is sold or otherwise transferred by the assessee to Government, a local authority, a corporation established by or under a Central, State or Provincial Act or a Government company as defined in section 617 of the Companies Act, 1956; or

(ii) where the sale or transfer of the asset is made in connection with the succession of a firm by a company in the business or profession carried on by the firm as a result of which the firm sells or otherwise transfers to the company any asset and the scheme continues to apply to the company in the manner applicable to the firm.

*Explanation.*—The provisions of clause (ii) of the proviso shall apply only where—

(i) all the properties of the firm relating to the business or profession immediately before the succession become the properties of the company;

(ii) all the liabilities of the firm relating to the business or profession immediately before the succession become the liabilities of the company; and

(iii) all the shareholders of the company were partners of the firm immediately before the succession.

(8) The Central Government may, if it considers it necessary or expedient so to do, by notification in the Official Gazette, omit any article or thing from the list of articles or things specified in the Eleventh Schedule.

(9) The Central Government may, after making such inquiry as it may think fit, direct, by notification in the Official Gazette, that the provisions of this section shall not apply to any class of assessees, with effect from such date as it may specify in the notification.

(10) No deduction shall be allowed under this section in the case of an assessee who has claimed the deduction allowable under section 33AB.

*Explanation.—*In this section,—

(a) “computers” does not include calculating machines and calculating devices;

(b) “Development Bank” means—

(i) in the case of an assessee carrying on business of growing and manufacturing tea in India, the National Bank for Agriculture and Rural Development established under section 3 of the National Bank for Agriculture and Rural Development Act, 1981;

(ii) in the case of other assessees, the Industrial Development Bank of India established under the Industrial Development Bank of India Act, 1964 and includes such bank or institution as may be specified in the scheme in this behalf.’.

61 of 1981.

18 of 1964.

9. In section 43 of the Income-tax Act, in clause (1), after *Explanation 7*, the following *Explanation* shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 1974, namely:—

Amend-  
ment of  
section 43.

“*Explanation 8.*—For the removal of doubts, it is hereby declared that where any amount is paid or is payable as interest in connection with the acquisition of an asset, so much of such amount as is relatable to any period after such asset is first put to use shall not be included, and shall be deemed never to have been included, in the actual cost of such asset.”.

10. In section 50 of the Income-tax Act, in clause (2), for the figures, letters and words “1st day of January, 1964”, the figures, letters and words “1st day of April, 1974” shall be substituted with effect from the 1st day of April, 1987.

Amend-  
ment of  
section 50.

11. In section 54 of the Income-tax Act, with effect from the 1st day of April, 1987,—

Amend-  
ment of  
section 54.

(a) in sub-section (1), for the words “one year before or after the date on which the transfer took place purchased”, the words “one year before or two years after the date on which the transfer took place purchased” shall be substituted;

(b) in sub-section (2), for the words “one year before or after the date of receipt of the additional compensation purchased”, the words “one year before or two years after the date of receipt of the additional compensation purchased” shall be substituted.

Amend-  
ment of  
section  
54E.

12. In section 54E of the Income-tax Act, in sub-section (1), in *Explanation 1*, with effect from the 1st day of April, 1987,—

(a) in clause (c), after the words, figures and letters "after the 28th day of February, 1983", the words, figures and letters "but before the 1st day of April, 1986" shall be inserted;

(b) after clause (c) as so amended, the following clause shall be inserted, namely:—

'(d) in a case where the original asset is transferred after the 31st day of March, 1986, any of the assets specified in clause (c) and such bonds issued by any public sector company, as the Central Government may, by notification in the Official Gazette, specify in this behalf.'

*Explanation.*—For the purposes of this clause, "public sector company" means any corporation established by or under any Central, State or Provincial Act or a Government company as defined in section 617 of the Companies Act, 1956.'

1 of 1956.

Amend-  
ment of  
section  
55.

13. In section 55 of the Income-tax Act, for the figures, letters and words "1st day of January, 1964", wherever they occur, the figures, letters and words "1st day of April, 1974" shall be substituted with effect from the 1st day of April, 1987.

Amend-  
ment of  
section  
58.

14. In section 58 of the Income-tax Act, after sub-section (3), the following sub-section shall be inserted with effect from the 1st day of April, 1987, namely:—

'(4) In the case of an assessee having income chargeable under the head "Income from other sources", no deduction in respect of any expenditure or allowance in connection with such income shall be allowed under any provision of this Act in computing the income by way of any winnings from lotteries, crossword puzzles, races including horse races, card games and other games of any sort or from gambling or betting of any form or nature, whatsoever:

Provided that nothing contained in this sub-section shall apply in computing the income of an assessee, being the owner of horses maintained by him for running in horse races, from the activity of owning and maintaining such horses.

*Explanation.*—For the purposes of this sub-section, "horse race" means a horse race upon which wagering or betting may be lawfully made.'

Amend-  
ment of  
section  
74.

15. In section 74 of the Income-tax Act, in sub-section (1), in the proviso to clause (a), for the words "five thousand rupees", the words "ten thousand rupees" shall be substituted with effect from the 1st day of April, 1987.

Amend-  
ment of  
section  
74A.

16. In section 74A of the Income-tax Act, with effect from the 1st day of April, 1987,—

(a) sub-sections (1) and (2) shall be omitted;

(b) in sub-section (3),—

(i) in the opening portion,—

(A) the words "Where for any assessment year," shall be omitted;

(B) for the portion beginning with the words "the net result of the computation" and ending with the words "owning and maintaining race horses", the following shall be substituted, namely:—

"the amount of loss incurred by the assessee in the activity of owning and maintaining race horses in any assessment year shall not be set off against income, if any, from any source other than the activity of owning and maintaining race horses in that year and";

(ii) in clause (a), for the words, brackets, letter and figure "from the source specified in clause (c) of sub-section (2)", the words "from the activity of owning and maintaining race horses," shall be substituted.

17. In section 80GG of the Income-tax Act, with effect from the 1st day of April, 1987,—

Amend-  
ment of  
section  
80GG.

(a) for the words "to the extent to which such excess expenditure does not exceed four hundred rupees per month or fifteen per cent. of his total income for the year, whichever is less", the words "to the extent to which such excess expenditure does not exceed one thousand rupees per month or twenty-five per cent. of his total income for the year, whichever is less" shall be substituted;

(b) in the proviso, in clause (ii), for the words, brackets and figures "under clause (i) or, as the case may be, clause (ii) of sub-section (2)", the words, brackets, figures and letters "under sub-clause (i) of clause (a) or, as the case may be, clause (b), of sub-section (2)" shall be substituted;

(c) in the *Explanation*, for the words "fifteen per cent", at both the places where they occur, the words "twenty-five per cent." shall be substituted.

18. In section 80HHA of the Income-tax Act, in clause (b) of the *Explanation* below sub-section (8), for sub-clauses (1) and (2), the following sub-clauses shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 1985, namely:—

Amend-  
ment of  
section  
80HHA.

(1) in a case where the previous year ends before the 1st day of August, 1980, ten lakh rupees;

(2) in a case where the previous year ends after the 31st day of July, 1980 but before the 18th day of March, 1985, twenty lakh rupees; and

(3) in a case where the previous year ends after the 17th day of March, 1985, thirty-five lakh rupees."

19. Section 80K of the Income-tax Act shall be omitted with effect from the 1st day of April, 1987.

Omission  
of section  
80K.

Amend-  
ment of  
section  
80L.

20. In section 80L of the Income-tax Act, with effect from the 1st day of April, 1987,—

(a) in sub-section (1), for clause (ii), the following clause shall be substituted, namely:—

‘(ii) interest on such debentures, issued by any institution or authority, or any public sector company, or any co-operative society (including a co-operative land mortgage bank or a co-operative land development bank), as the Central Government may, by notification in the Official Gazette, specify in this behalf.

*Explanation.*—For the purposes of this clause, “public sector company” means any corporation established by or under any Central, State or Provincial Act or a Government company as defined in section 617 of the Companies Act, 1956;'

1 of 1956.

(b) sub-section (2) shall be omitted.

21. For section 80M of the Income-tax Act, the following section shall be substituted with effect from the 1st day of April, 1987, namely:—

Substitu-  
tion of  
new sec-  
tion for  
section  
80M.

Dedu-  
ction in  
respect of  
certain  
inter-  
corporate  
dividends.

“80M. Where the gross total income of an assessee, being a domestic company, includes any income by way of dividends from a domestic company, there shall be allowed, in computing the total income of the assessee, a deduction from such income by way of dividends of an amount equal to sixty per cent. of such income.”.

Omission  
of section  
80S.

22. Section 80S of the Income-tax Act shall be omitted with effect from the 1st day of April, 1987.

Amend-  
ment of  
section  
80T.

23. In section 80T of the Income-tax Act, with effect from the 1st day of April, 1987,—

(i) for the words “five thousand rupees”, wherever they occur, the words “ten thousand rupees” shall be substituted;

(ii) in clause (b), for the portion beginning with the words “in any other case, five thousand rupees” and ending with the words “capital assets exceed five thousand rupees”, the following shall be substituted, namely:—

“in any other case, ten thousand rupees as increased by a sum equal to—

(A) fifty per cent. of the amount by which the long-term capital gains relating to capital assets, being buildings or lands or any rights in buildings or lands or gold, bullion or jewellery, exceed ten thousand rupees;

(B) sixty per cent. of the amount by which the long-term capital gains relating to any other capital assets exceed ten thousand rupees”;

(iii) the second proviso shall be omitted.

24. Section 80TT of the Income-tax Act shall be omitted with effect from the 1st day of April, 1987.

Omission of section 80TT.

25. In section 115A of the Income-tax Act, in sub-section (1), with effect from the 1st day of April, 1987,—

Amend-  
ment of  
section  
115A.

(a) for clause (ii), the following clause shall be substituted, namely:—

“(ii) the amount of income-tax calculated on the income by way of royalty, if any, included in the total income, at the rate of thirty per cent.;”;

(b) in clause (iii), for the words “forty per cent.”, the words “thirty per cent.” shall be substituted.

26. In Chapter XII of the Income-tax Act, after section 115B, the following section shall be inserted with effect from the 1st day of April, 1987, namely:—

Insertion of new section 115BB.

‘115BB. Where the total income of an assessee includes any income by way of winnings from any lottery or crossword puzzle or race including horse race (not being income from the activity of owning and maintaining race horses) or card game and other game of any sort or from gambling or betting of any form or nature whatsoever, the income-tax payable shall be the aggregate of—

Tax on winnings from lotteries, crossword puzzles, races including horse races, card games and other games of any sort or gambling or betting of any form or nature whatsoever.

(i) the amount of income-tax calculated on income by way of winnings from such lottery or crossword puzzle or race including horse race or card game and other game of any sort or from gambling or betting of any form or nature whatsoever at the rate of forty per cent.; and

(ii) the amount of income-tax with which the assessee would have been chargeable had his total income been reduced by the amount of income referred to in clause (i).

*Explanation.*—For the purposes of this section, “horse race” shall have the same meaning as in section 74A.’

27. In the Income-tax Act, after section 133A, the following section shall be inserted, namely:—

Insertion of new section 133B.

133B. (1) Notwithstanding anything contained in any other provision of this Act, an Income-tax authority may, for the purpose of collecting any information which may be useful for, or relevant to, the purposes of this Act, enter—

Power to collect certain information.

(a) any building or place within the limits of the area assigned to such authority, or

(b) any building or place occupied by any person in respect of whom he exercises jurisdiction.

at which a business or profession is carried on, whether such place be the principal place or not of such business or profession, and

require any proprietor, employee or any other person who may at that time and place be attending in any manner to, or helping in, the carrying on of such business or profession to furnish such information as may be prescribed.

(2) An Income-tax authority may enter any place of business or profession referred to in sub-section (1) only during the hours at which such place is open for the conduct of business or profession.

(3) For the removal of doubts, it is hereby declared that an Income-tax authority acting under this section shall, on no account, remove or cause to be removed from the building or place wherein he has entered, any books of account or other documents or any cash, stock or other valuable article or thing.

*Explanation.*—In this section, “Income-tax authority” means an Inspecting Assistant Commissioner, an Assistant Director of Inspection or an Income-tax Officer, and includes an Inspector of income-tax who has been authorised by the Income-tax Officer to exercise the powers conferred under this section in relation to the area in respect of which the Income-tax Officer exercises jurisdiction or part thereof.’

Amend-  
ment of  
section  
155.

28. In section 155 of the Income-tax Act, with effect from the 1st day of April, 1987,—

(a) in sub-section (8), for the words “within a period of one year after the date of the transfer”, the words “within a period of two years after the date of the transfer” shall be substituted;

(b) in sub-section (8A), for the words “within a period of one year after the date of receipt”, the words “within a period of two years after the date of receipt” shall be substituted.

Amend-  
ment of  
section 193.

29. In section 193 of the Income-tax Act, in the proviso, for clause (iib), the following clause shall be substituted with effect from the 1st day of June, 1986, namely:—

‘(iib) any interest payable on such debentures, issued by any institution or authority, or any public sector company, or any co-operative society (including a co-operative land mortgage bank or a co-operative land development bank), as the Central Government may, by notification in the Official Gazette, specify in this behalf.

*Explanation.*—For the purposes of this clause, “public sector company” means any corporation established by or under any Central, State or Provincial Act or a Government company as defined in section 617 of the Companies Act, 1956; or’.

1 of 1986.

Amend-  
ment of  
section  
194B.

30. In section 194B of the Income-tax Act, for the words “one thousand rupees” the words “five thousand rupees” shall be substituted with effect from the 1st day of June, 1986.

Amend-  
ment of  
section  
194BB.

31. In section 194BB of the Income-tax Act, for the words “two thousand five hundred rupees”, the words “five thousand rupees” shall be substituted with effect from the 1st day of June, 1986.

46 of 1973.

32. In section 204 of the Income-tax Act, with effect from the 1st day of June, 1986,—

(a) after clause (ii), the following clause shall be inserted, namely:—

“(iii) in the case of any sum payable to a non-resident Indian, being any sum representing consideration for the transfer by him of any foreign exchange asset, which is not a short-term capital asset, the authorised dealer responsible for remitting such sum to the non-resident Indian or for crediting such sum to his Non-resident (External) Account maintained in accordance with the Foreign Exchange Regulation Act, 1973 and any rules made thereunder;”;

(b) the following *Explanation* shall be added at the end, namely:—

*Explanation.*—For the purposes of this section,—

(a) “non-resident Indian” and “foreign exchange asset” shall have the meanings assigned to them in Chapter XII-A;

(b) “authorised dealer” shall have the meaning assigned to it in clause (b) of section 2 of the Foreign Exchange Regulation Act, 1973.”

46 of 1973.

33. In the Income-tax Act, after section 269R, the following section shall be inserted with effect from the 1st day of October, 1986, namely:—

Insertion of new section 269RR.

“269RR. The provisions of this Chapter shall not apply to or in relation to the transfer of any immovable property made after the 30th day of September, 1986.”.

Chapter not to apply where transfer of immovable property made after a certain date.

34. In the Income-tax Act, after Chapter XX-B, the following Chapter shall be inserted, namely:—

Insertion of new Chapter XXC.

### CHAPTER XXC

#### PURCHASE BY CENTRAL GOVERNMENT OF IMMOVABLE PROPERTIES IN CERTAIN CASES OF TRANSFER

269U. The provisions of this Chapter shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint, and different dates may be appointed for different areas.

Commencement of Chapter.

269UA. In this Chapter, unless the context otherwise requires,—

Definitions.

(a) “agreement for transfer” means an agreement, whether registered under the Registration Act, 1908 or not, for the transfer of any immovable property;

16 of 1908.

Amendment of section 204.

(b) "apparent consideration",—

(1) in relation to any immovable property in respect of which an agreement for transfer is made, being immovable property of the nature referred to in sub-clause (i) of clause (d), means,—

(i) if the immovable property is to be transferred by way of sale, the consideration for such transfer as specified in the agreement for transfer;

(ii) if the immovable property is to be transferred by way of exchange,—

(A) in a case where the consideration for the transfer consists of a thing or things only, the price that such thing or things would ordinarily fetch on sale in the open market on the date on which the agreement for transfer is made;

(B) in a case where the consideration for the transfer consists of a thing or things and a sum of money, the aggregate of the price that such thing or things would ordinarily fetch on sale in the open market on the date on which the agreement for transfer is made, and such sum;

(iii) if the immovable property is to be transferred by way of lease,—

(A) in a case where the consideration for the transfer consists of premium only, the amount of premium as specified in the agreement for transfer;

(B) in a case where the consideration for the transfer consists of rent only, the aggregate of the moneys (if any) payable by way of rent and the amounts for the service or things forming part of or constituting the rent, as specified in the agreement for transfer;

(C) in a case where the consideration for the transfer consists of premium and rent, the aggregate of the amount of the premium, the moneys (if any) payable by way of rent and the amounts for the service or things forming part of or constituting the rent, as specified in the agreement for transfer,

and where the whole or any part of the consideration for such transfer is payable on any date or dates falling after the date of such agreement for transfer, the value of the consideration payable after such date shall be deemed to be the discounted value of such consideration, as on the date of such agreement for transfer, determined by adopting such rate of interest as may be prescribed in this behalf;

(2) in relation to any immovable property in respect of which an agreement for transfer is made, being immovable

property of the nature referred to in sub-clause (ii) of clause (d), means,—

(i) in a case where the consideration for the transfer consists of a sum of money only, such sum;

(ii) in a case where the consideration for the transfer consists of a thing or things only, the price that such thing or things would ordinarily fetch on sale in the open market on the date on which the agreement for transfer is made;

(iii) in a case where the consideration for the transfer consists of a thing or things and a sum of money, the aggregate of the price that such thing or things would ordinarily fetch on sale in the open market on the date on which the agreement for transfer is made, and such sum,

and where the whole or any part of the consideration for such transfer is payable on any date or dates falling after the date of such agreement for transfer, the value of the consideration payable after such date shall be deemed to be the discounted value of such consideration, as on the date of such agreement for transfer, determined by adopting such rate of interest as may be prescribed in this behalf;

(c) "appropriate authority" means an authority constituted under section 269UB to perform the functions of an appropriate authority under this Chapter;

(d) "immovable property" means—

(i) any land or any building or part of a building, and includes, where any land or any building or part of a building is to be transferred together with any machinery, plant, furniture, fittings or other things, such machinery, plant, furniture, fittings or other things also.

*Explanation.*—For the purposes of this sub-clause, "land, building, part of a building, machinery, plant, furniture, fittings and other things" include any rights therein;

(ii) any rights in or with respect to any land or any building or a part of a building (whether or not including any machinery, plant, furniture, fittings or other things therein) which has been constructed or which is to be constructed, accruing or arising from any transaction (whether by way of becoming a member of, or acquiring shares in, a co-operative society, company or other association of persons or by way of any agreement or any arrangement of whatever nature), not being a transaction by way of sale, exchange or lease of such land, building or part of a building;

(e) "person interested", in relation to any immovable property includes all persons claiming, or entitled to claim, an interest in the consideration payable on account of the vesting of that property in the Central Government under this Chapter;

## (f) "transfer",—

(i) in relation to any immovable property referred to in sub-clause (i), of clause (d), means transfer of such property by way of sale or exchange or lease for a term of not less than twelve years, and includes allowing the possession of such property to be taken or retained in part performance of a contract of the nature referred to in section 53A of the Transfer of Property Act, 1882.

4 of 1882

*Explanation.*—For the purposes of this sub-clause, a lease which provides for the extension of the term thereof by a further term or terms shall be deemed to be a lease for a term of not less than twelve years, if the aggregate of the term for which such lease is to be granted and the further term or terms for which it can be so extended is not less than twelve years;

(ii) in relation to any immovable property of the nature referred to in sub-clause (ii) of clause (d), means the doing of anything (whether by way of admitting as a member of or by way of transfer of shares in a co-operative society or company or other association of persons or by way of any agreement or arrangement or in any other manner whatsoever) which has the effect of transferring or enabling the enjoyment of, such property.

Appropri-  
ate auth-  
ority.

269UB. (1) The Central Government may, by order, published in the Official Gazette,—

(a) constitute as many appropriate authorities, as it thinks fit, to perform the functions of an appropriate authority under this Chapter; and

(b) define the local limits within which the appropriate authorities shall perform their functions under this Chapter.

(2) An appropriate authority shall consist of three persons, two of whom shall be members of the Indian Income-tax Service, Group A, holding the post of Commissioner of Income-tax or any equivalent or higher post, and one shall be a member of the Central Engineering Service, Group A, holding the post of Chief Engineer or any equivalent or higher post.

(3) In respect of any function to be performed by an appropriate authority under any provision of this Chapter in relation to any immovable property referred to in section 269UC, the appropriate authority referred to therein shall,—

(a) in a case where such property is situate within the local limits of the jurisdiction of only one appropriate authority, be such appropriate authority;

(b) in a case where such property is situate within the local limits of the jurisdiction of two or more appropriate authorities, be the appropriate authority empowered to perform such functions in relation to such property in accordance with the rules made in this behalf by the Board under section 295.

*Explanation.*—For the purposes of this sub-section, immovable property being rights of the nature referred to in sub-clause (ii) of clause (d) of section 269UA in, or with respect to, any land or any building or part of a building which has been constructed or which is to be constructed shall be deemed to be situate at the place where the land is situate or, as the case may be, where the building has been constructed or is to be constructed.

4 of 1682.

269UC. (1) Notwithstanding anything contained in the Transfer of Property Act, 1882, or in any other law for the time being in force, no transfer of any immovable property of such value exceeding five lakh rupees as may be prescribed, shall be effected except after an agreement for transfer is entered into between the person who intends transferring the immovable property (hereinafter referred to as the transferor) and the person to whom it is proposed to be transferred (hereinafter referred to as the transferee) in accordance with the provisions of sub-section (2) at least three months before the intended date of transfer.

Restrictions on transfer of immovable property.

(2) The agreement referred to in sub-section (1) shall be reduced to writing in the form of a statement by each of the parties to such transfer or by any of the parties to such transfer acting on behalf of himself and on behalf of the other parties.

(3) Every statement referred to in sub-section (2) shall,—

- (i) be in the prescribed form;
- (ii) set forth such particulars as may be prescribed; and
- (iii) be verified in the prescribed manner,

and shall be furnished to the appropriate authority in such manner and within such time as may be prescribed, by each of the parties to such transaction or by any of the parties to such transaction acting on behalf of himself and on behalf of the other parties.

269UD. (1) The appropriate authority, after the receipt of the statement under sub-section (3) of section 269UC in respect of any immovable property, may, notwithstanding anything contained in any other law or any instrument or any agreement for the time being in force, and for reasons to be recorded in writing, make an order for the purchase by the Central Government of such immovable property at an amount equal to the amount of apparent consideration:

Order by appropriate authority for purchase by Central Government of immovable property.

Provided that no such order shall be made in respect of any immovable property after the expiration of a period of two months from the end of the month in which the statement referred to in section 269UC in respect of such property is received by the appropriate authority:

Provided further that in a case where the statement referred to in section 269UC in respect of the immovable property concerned is given to an appropriate authority, other than the appropriate authority having jurisdiction in accordance with the provisions of section 269UB to make the order referred to in this sub-section in relation to the immovable property concerned, the period of limitation referred to in the preceding proviso shall be reckoned with reference to the date of receipt of the statement by the appropriate authority having jurisdiction to make the order under this sub-section.

(2) The appropriate authority shall cause a copy of its order under sub-section (1) in respect of any immovable property to be served on the transferor, the person in occupation of the immovable property if the transferor is not in occupation thereof, the transferee, and on every other person whom the appropriate authority knows to be interested in the property.

Vesting of  
property in  
Central  
Govern-  
ment.

269UE. (1) Where an order under sub-section (1) of section 269UD is made by the appropriate authority in respect of an immovable property referred to in sub-clause (i) of clause (d) of section 269UA, such property shall, on the date of such order, vest in the Central Government free from all encumbrances.

(2) The transferor or any other person who may be in possession of the immovable property in respect of which an order under sub-section (1) of section 269UD is made, shall surrender or deliver possession thereof to the appropriate authority or any other person duly authorised by the appropriate authority in this behalf within fifteen days of the service of such order on him.

(3) If any person refuses or fails to comply with the provisions of sub-section (2), the appropriate authority or other person duly authorised by it under that sub-section may take possession of the immovable property and may, for that purpose, use such force as may be necessary.

(4) Notwithstanding anything contained in sub-section (2), the appropriate authority may, for the purpose of taking possession of any property referred to in sub-section (1), requisition the services of any police officer to assist him and it shall be the duty of such officer to comply with such requisition.

(5) For the removal of doubts, it is hereby declared that nothing in this section shall operate to discharge the transferor or any other person (not being the Central Government) from liability in respect of any encumbrances on the property and, notwithstanding anything contained in any other law for the time being in force, such liability may be enforced against the transferor or such other person.

(6) Where an order under sub-section (1) of section 269UD is made in respect of an immovable property, being rights of the nature referred to in sub-clause (ii) of clause (d) of section 269UA, such order shall have the effect of—

(a) vesting such right in the Central Government; and

(b) placing the Central Government in the same position in relation to such rights as the person in whom such a right would have continued to vest if such order had not been made.

(7) Where any rights in respect of any immovable property, being rights in, or with respect to, any land or any building or part of a building which has been constructed or which is to be constructed, have been vested in the Central Government under sub-section (6), the provisions of sub-sections (1), (2), (3) and (4) shall, so far as may be, have effect as if the references to immovable property therein were references to such land or building or part thereof, as the case may be.

269UF. (1) Where an order for the purchase of any immovable property by the Central Government is made under sub-section (1) of section 269UD, the Central Government shall pay, by way of consideration for such purchase, an amount equal to the amount of the apparent consideration.

Consideration for purchase of immovable property by Central Government.

(2) Notwithstanding anything contained in sub-section (1), where, after the agreement for the transfer of the immovable property referred to in that sub-section has been made but before the property vests in the Central Government under section 269UE, the property has been damaged (otherwise than as a result of normal wear and tear), the amount of the consideration payable under that sub-section shall be reduced by such sum as the appropriate authority, for reasons to be recorded in writing, may by order determine.

269UG. (1) The amount of consideration payable in accordance with the provisions of section 269UF shall be tendered to the person or persons entitled thereto, within a period of one month from the end of the month in which the immovable property concerned becomes vested in the Central Government under sub-section (1), or, as the case may be, sub-section (6), of section 269UE:

Payment of deposit of consideration.

27 of 1957.  
18 of 1958.  
34 of 1953.  
7 of 1964.

Provided that if any liability for any tax or any other sum remaining payable under this Act, the Wealth-tax Act, 1957, the Gift-tax Act, 1958, the Estate Duty Act, 1953 or the Companies (Profits) Surtax Act, 1964 by any person entitled to the consideration payable under section 269UF, the appropriate authority may, in lieu of the payment of the amount of consideration, set off the amount of consideration or any part thereof against such liability or sum, after giving an intimation in this behalf to the person entitled to the consideration.

(2) Notwithstanding anything contained in sub-section (1), if any dispute arises as to the apportionment of the amount of consideration amongst persons claiming to be entitled thereto, the Central Government shall deposit with the appropriate authority the amount of consideration required to be tendered under sub-section (1) within the period specified therein.

(3) Notwithstanding anything contained in sub-section (1), if the person entitled to the amount of consideration does not consent to receive it, or if there is any dispute as to the title to receive the amount of consideration, the Central Government shall deposit with the appropriate authority the amount of consideration required to be tendered under sub-section (1) within the period specified therein:

Provided that nothing herein contained shall affect the liability of any person who may receive the whole or any part of the amount of consideration for any immovable property vested in the Central Government under this Chapter to pay the same to the person lawfully entitled thereto.

(4) Where any amount of consideration has been deposited with the appropriate authority under this section, the appropriate authority may, either of its own motion or on an application made by or on behalf of any person interested or claiming to be interested in such amount, order the same to be invested in such Government or other

securities as it may think proper, and may direct the interest or other proceeds of any such investment to be accumulated and paid in such manner as will, in its opinion, give the parties interested therein the same benefits therefrom as they might have had from the immovable property in respect whereof such amount has been deposited or as near thereto as may be.

Re-vesting  
of property  
in the  
trans-  
feror on  
failure of  
payment  
or deposit  
of consid-  
eration.

269UH. (1) If the Central Government fails to tender under sub-section (1) of section 269UG or deposit under sub-section (2) or sub-section (3) of the said section, the whole or any part of the amount of consideration required to be tendered or deposited thereunder within the period specified therein in respect of any immovable property which has vested in the Central Government under sub-section (1) or, as the case may be, sub-section (6) of section 269UE, the order to purchase the immovable property by the Central Government made under sub-section (1) of section 269UD shall stand abrogated and the immovable property shall stand re-vested in the transferor after the expiry of the aforesaid period:

Provided that where any dispute referred to in sub-section (2) or sub-section (3) of section 269UG is pending in any court for decision, the time taken by the court to pass a final order under the said sub-sections shall be excluded in computing the said period.

(2) Where an order made under sub-section (1) of section 269UD is abrogated and the immovable property re-vested in the transferor under sub-section (1), the appropriate authority shall make, as soon as may be, a declaration in writing to this effect and shall—

(a) deliver a copy of the declaration to the persons mentioned in sub-section (2) of section 269UD; and

(b) deliver or cause to be delivered possession of the immovable property back to the transferor or, as the case may be, to such other person as was in possession of the property at the time of its vesting in the Central Government under section 269UE.

Powers  
of the  
appro-  
priate  
autho-  
rity.

Rectifica-  
tion of  
mistakes.

269UI. The appropriate authority shall have, for the purposes of this Chapter, all the powers that a Commissioner of Income-tax has for the purposes of this Act under section 131.

269UJ. With a view to rectifying any mistake apparent from the record, the appropriate authority may amend any order made by it under this Chapter, either on its own motion or on the mistake being brought to its notice by any person affected by the order:

Provided that if any such amendment is likely to affect any person prejudicially, it shall not be made without giving to such person a reasonable opportunity of being heard:

Provided further that no amendment shall be made under this section after the expiry of six months from the end of the month in which the order sought to be amended was made.

269UK. (1) Notwithstanding anything contained in any other law for the time being in force, no person shall revoke or alter an agreement for the transfer of an immoveable property or transfer such property in respect of which a statement has been furnished under section 269UC unless,—

(a) the appropriate authority has not made an order for the purchase of the immoveable property by the Central Government under section 269UD or the period specified for the making of such order has expired; or

(b) in a case where an order for the purchase of the immoveable property by the Central Government has been made under sub-section (1) of section 269UD, the order stands abrogated under sub-section (1) of section 269UH.

(2) Any transfer of any immoveable property made in contravention of the provisions of sub-section (1) shall be void.

269UL. (1) Notwithstanding anything contained in any other law for the time being in force, no registering officer appointed under the Registration Act, 1908, shall register any document which purports to transfer immoveable property exceeding the value prescribed under section 269UC unless a certificate from the appropriate authority that it has no objection to the transfer of such property for an amount equal to the apparent consideration therefor as stated in the agreement for transfer of the immoveable property in respect of which it has received a statement under sub-section (3) of section 269UC, is furnished, along with such document.

(2) Notwithstanding anything contained in any other law for the time being in force, no person shall do anything or omit to do anything which will have the effect of transfer of any immoveable property unless the appropriate authority certifies that it has no objection to the transfer of such property for an amount equal to the apparent consideration therefor as stated in the agreement for transfer of the immoveable property in respect of which it has received a statement under sub-section (3) of section 269UC.

(3) In a case where the appropriate authority does not make an order under sub-section (1) of section 269UD for the purchase by the Central Government of an immoveable property, or where the order made under sub-section (1) of section 269UD stands abrogated under sub-section (1) of section 269UH, the appropriate authority shall issue a certificate of no objection referred to in sub-section (1) or, as the case may be, sub-section (2) and deliver copies thereof to the transferor and the transferee.

269UM. Notwithstanding anything contained in any other law or in any instrument or any agreement for the time being in force, when an order for the purchase of any immoveable property by the Central Government is made under this Chapter, no claim by the transferee shall lie against the transferor by reason of such transfer being not in accordance with the agreement for the transfer of the immoveable property entered into between the transferor and the transferee.

Restrictions on revocation or alteration of certain agreements for the transfer of immoveable property or on transfer of certain immoveable property.

Restrictions on registration, etc. of documents in respect of transfer of immoveable property.

Immunity to transferor against claims of transferee for transfer.

Provided that nothing contained in this section shall apply if the order for the purchase of the immovable property by the Central Government is abrogated under sub-section (1) of section 269UH.

Order of appropriate authority to be final and conclusive.

Chapter not to apply to certain transfers.

Insertion of new section 272AA.

Penalty for failure to comply with the provisions of section 133B.

Insertion of new section 276AB.

Failure to comply with the provisions of sections 269UC, 269UE and 269UL.

Omission of section 276AA.

Omission of Twelfth Schedule.

Consequential amendment.

269UN. Save as otherwise provided in this Chapter, any order made under sub-section (1) of section 269UD or any order made under sub-section (2) of section 269UF shall be final and conclusive and shall not be called in question in any proceeding under this Act or under any other law for the time being in force.

269UO. The provisions of this Chapter shall not apply to or in relation to any immovable property where the agreement for transfer of such property is made by a person to his relative on account of natural love and affection, if a recital to that effect is made in the agreement for transfer.'

35. In the Income-tax Act, after section 272A, the following section shall be inserted, namely:—

"272AA. (1) If a person, without reasonable cause, fails to comply with the provisions of section 133B, he shall, on an order passed by the Inspecting Assistant Commissioner, Assistant Director of Inspection or the Income-tax Officer, as the case may be, pay, by way of penalty, a sum which may extend to one thousand rupees.

(2) No order under sub-section (1) shall be passed unless the person on whom the penalty is proposed to be imposed is given an opportunity of being heard in the matter".

36. In the Income-tax Act, after section 276A, the following section shall be inserted, namely:—

"276AB. Whoever, without reasonable cause or excuse, fails to comply with the provisions of section 269UC or fails to surrender or deliver possession of the property under sub-section (2) of section 269UE or contravenes the provisions of sub-section (2) of section 269UL shall be punishable with rigorous imprisonment for a term which may extend to two years and shall also be liable to fine:

Provided that in the absence of special and adequate reasons to the contrary to be recorded in the judgment of the court, such imprisonment shall not be for less than six months".

37. Section 276AA of the Income-tax Act shall be omitted with effect from the 1st day of October, 1986.

38. The Twelfth Schedule to the Income-tax Act shall be omitted with effect from the 1st day of April, 1987.

39. The following amendments (being amendments of a consequential nature) shall be made in the Income-tax Act with effect from the 1st day of April, 1987, namely:—

(a) in section 80A, in sub-section (3),—

(i) the words, figures and letter "or section 80K" shall be omitted;

- (ii) the words, figures and letter "or section 80S" shall be omitted;
- (iii) the words, figures and letters "or section 80TT" shall be omitted;
- (b) section 80VVA, in sub-section (2),—
  - (i) clause (xiia) shall be renumbered as clause (xiib), and before clause (xiib) as so renumbered, the following clause shall be inserted, namely:—
    - "(xiia) section 32AB;";
    - (ii) clause (xxiv) shall be omitted;
  - (c) in section 197,—
    - (i) in sub-section (1), in clause (a), the figures and letters "194B, 194BB" shall be omitted;
    - (ii) sub-section (3) shall be omitted.
  - (d) in the Eleventh Schedule, after the words, figures and letter "See section 32A," the word, figures and letters "section 32AB," shall be inserted.

#### Wealth-tax

**40.** In section 5 of the Wealth-tax Act, 1957,—

(a) in sub-section (1),—

(i) after clause (xvid), the following clause shall be inserted, namely:—

"(xvie) in the case of an individual or a Hindu undivided family, such debentures issued by a public sector company, as the Central Government may, by notification in the Official Gazette, specify in this behalf.

*Explanation.*—For the purposes of this clause, "public sector company" means any corporation established by or under any Central, State or Provincial Act or a Government company as defined in section 617 of the Companies Act, 1956;;

(ii) in clause (xxxiii),—

(A) in the opening paragraph, after the words "out of such moneys", the words "within one year immediately preceding the date of his return and at any time thereafter" shall be inserted with effect from the 1st day of April, 1987;

(B) the *Explanation* shall be numbered as *Explanation 1* and after *Explanation 1* as so numbered, the following *Explanation* shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 1977, namely:—

"*Explanation 2.*—For the removal of doubts, it is hereby declared that moneys standing to the credit of such person in a Non-resident (External) Account in any bank in India in accordance with the Foreign Exchange Regulation Act, 1973 and any rules made there-

Amend-  
ment of  
Act 27 of  
1957.

under, on the date of his return to India, shall be deemed to be moneys brought by him into India on that date.”;

(b) in sub-section (3),—

(i) after the brackets, figures and letter “(xvid),”, the brackets, figures and letter “(xvie),” shall be inserted;

(ii) for clause (aa), the following clause shall be substituted, namely:—

“(aa) in the case of Capital Investment Bonds referred to in clause (xvid), or debentures referred to in clause (xvie), of sub-section (1), from the date on which the Bonds or debentures, as the case may be, were subscribed to by the assessee, or for a period of at least six months ending with the relevant valuation date, whichever is shorter; and”.

#### *Gift-tax*

Amend-  
ment of  
section  
3.

41. In the Gift-tax Act, 1958 (hereinafter referred to as the Gift-tax Act), with effect from the 1st day of April, 1987, section 3 shall be renumbered as sub-section (1) thereof, and—

18 of 1958.

(a) in sub-section (1) as so renumbered, after the words, figures and letters “the 1st day of April, 1958”, the words, figures and letters “but before the 1st day of April, 1987,” shall be inserted;

(b) after sub-section (1) as so renumbered, the following sub-section shall be inserted, namely:—

“(2) Subject to the other provisions contained in this Act, there shall be charged for every assessment year commencing on and from the 1st day of April, 1987, gift-tax in respect of the gifts, if any, made by a person during the previous year, at the rate of thirty per cent. on the value of all taxable gifts.”.

Amend-  
ment of  
section 5.

42. In section 5 of the Gift-tax Act, with effect from the 1st day of April, 1987,—

(a) in sub-section (1), clauses (iiia), (vi), (viii), (ix), (xiv) and (xvi) shall be omitted;

(b) in sub-section (1A), the words, brackets and figures “or clause (vi)” shall be omitted;

(c) in sub-section (2), for the words “five thousand”, the words “twenty thousand” shall be substituted;

(d) sub-section (3) shall be omitted.

Omission  
of section  
6A.

43. Section 6A of the Gift-tax Act shall be omitted with effect from the 1st day of April, 1987.

Amend-  
ment of  
section 18.

44. In section 18 of the Gift-tax Act, with effect from the 1st day of April, 1987,—

(a) in the opening portion, for the words, figure and letter “or, in a case where the provisions of section 6A are applicable to a gift, in the manner specified in that section”, the words, brackets and figures

"or at the rate specified in sub-section (2) of section 3" shall be substituted;

(b) in the *Explanation*, for the words, figure and letter "in the manner specified in section 6A", at both the places where they occur, the words, brackets and figures "at the rate specified in sub-section (2) of section 3" shall be substituted.

45. In section 19A of the Gift-tax Act, in sub-section (2), after the words "or rates specified in the Schedule", the words, brackets and figures "or, as the case may be, at the rate specified in sub-section (2) of section 3" shall be inserted with effect from the 1st day of April, 1987.

46. In the Gift-tax Act, in the Schedule, for the brackets, words and figure "(See section 3)", the brackets, words and figures "[See section 3(1)]" shall be substituted with effect from the 1st day of April, 1987.

#### *Surtax*

47. In the Companies (Profits) Surtax Act, 1964, in section 4, after the words and figures "the first day of April, 1964", the words and figures "but before the first day of April, 1988" shall be inserted with effect from the 1st day of April, 1988.

### CHAPTER IV

#### INDIRECT TAXES

##### *Customs*

48. The Customs Tariff Act, 1975 (hereinafter referred to as the Customs Tariff Act), shall be amended in the manner specified in the Second Schedule.

49. (1) In the case of goods mentioned in the First Schedule to the Customs Tariff Act, or in that Schedule, as amended from time to time, there shall be levied and collected as an auxiliary duty of customs an amount equal to fifty per cent. of the value of the goods as determined in accordance with the provisions of section 14 of the Customs Act, 1962 (hereinafter referred to as the Customs Act).

52 of 196

19 of 1897.

(2) Sub-section (1) shall cease to have effect after the 31st day of March, 1987, except as respects things done or omitted to be done before such cesser; and section 6 of the General Clauses Act, 1897, shall apply upon such cesser as if the said sub-section had then been repealed by a Central Act.

(3) The auxiliary duties of customs referred to in sub-section (1) shall be in addition to any duties of customs chargeable on such goods under the Customs Act, or any other law for the time being in force.

(4) The provisions of the Customs Act and the rules and regulations made thereunder, including those relating to refunds and exemptions from duties, shall, as far as may be, apply in relation to the levy and collection of the auxiliary duties of customs leviable under this section in respect of any goods as they apply in relation to the levy and collection of the duties of customs on such goods under that Act or those rules and regulations, as the case may be.

Amend-  
ment of  
section  
19A.

Amend-  
ment of  
the Sch-  
dule.

Amend-  
ment of  
Act 7 of  
1964.

Amend-  
ment of  
Act 51  
of 1975.

Amilliary  
duties of  
Customs.

Amendment of  
Act 52  
of 1962.

50. In section 16 of the Customs Act, for sub-section (1), the following sub-section shall be substituted, namely:—

“(1) The rate of duty and tariff valuation, if any, applicable to any export goods, shall be the rate and valuation in force,—

(a) in the case of goods entered for export under section 50, on the date on which the proper officer makes an order permitting clearance and loading of the goods for exportation under section 51;

(b) in the case of any other goods, on the date of payment of duty.”.

### Excise

Amendment of  
Act 1 of  
1944.

51. In section 37 of the Central Excises and Salt Act, 1944 (hereinafter referred to as the Central Excises Act), in sub-section (2), after clause (xvi), the following clause shall be inserted, namely:—

“(xvii) provide for the credit of duty paid or deemed to have been paid on the goods used in, or in relation to, the manufacture of excisable goods;”.

Amendment  
of Act 5 of  
1986.

52. The Central Excise Tariff Act, 1985 (hereinafter referred to as the Central Excise Tariff Act), shall be amended in the manner specified in the Third Schedule.

Special  
duties of  
Excise.

53. (1) In the case of goods chargeable with a duty of excise under the Central Excises Act, as amended from time to time, read with any notification for the time being in force issued by the Central Government in relation to the duty so chargeable (not being a notification providing for any exemption for giving credit with respect to, or reduction of duty of excise under the said Act on such goods equal to, any duty of excise under the said Act, or the additional duty under section 3 of the Customs Tariff Act, already paid on the raw material or component parts used in the production or manufacture of such goods), there shall be levied and collected a special duty of excise equal to ten per cent. of the amount so chargeable on such goods.

(2) Sub-section (1) shall cease to have effect after the 31st day of March, 1987, except as respects things done or omitted to be done before such cesser; and section 6 of the General Clauses Act, 1897, shall apply upon such cesser as if the said sub-section had then been repealed by a Central Act.

(3) The special duties of excise referred to in sub-section (1) shall be in addition to any duties of excise chargeable on such goods under the Central Excises Act, or any other law for the time being in force.

(4) The provisions of the Central Excises Act and the rules made thereunder, including those relating to refunds and exemptions from duties, shall, as far as may be, apply in relation to the levy and collection of the special duties of excise leviable under this section in respect of any goods as they apply in relation to the levy and collection of the duties of excise on such goods under that Act or those rules, as the case may be.

Amend-  
ment of  
Act 12 of  
1953.

54. In the Khadi and other Handloom Industries Development (Additional Excise Duty on Cloth) Act, 1953,—

(i) in section 2, for clause (b), the following clause shall be substituted, namely:—

(b) "cloth" means textile fabrics falling under heading Nos. 50.03, 51.06, 51.07, 51.08, 52.05, 52.06, 52.07, 52.08, 52.09, 52.10, 52.11, 52.12, 54.08, 54.09, 54.10, 54.11, 54.12, 55.07, 55.08, 55.09, 55.10, 55.11, 55.12, 58.02, 58.04 and 60.01 of the Schedule to the Central Excise Tariff Act, 1985;—

5 of 1986.

(ii) in section 3, in sub-section (1), for the figures and words "1.9 naye paise per square metre", the figures and words "2.5 paise per square metre" shall be substituted.

55. The Additional Duties of Excise (Goods of Special Importance) Act, 1957 (hereinafter referred to as the Additional Duties of Excise Act), shall be amended in the manner specified in the Fourth Schedule.

Amend-  
ment of  
Act 58 of  
1957.

56. The Additional Duties of Excise (Textiles and Textile Articles) Act, 1978, shall be amended in the manner specified in the Fifth Schedule

Amend-  
ment of  
Act 40 of  
1978.

## THE FIRST SCHEDULE

(See section 2)

### PART I

#### INCOME-TAX SURCHARGE ON INCOME-TAX

##### Paragraph A

###### Sub-Paragraph I

In the case of every individual or Hindu undivided family or unregistered firm or other association of persons or body of individuals, whether incorporated or not, or every artificial judicial person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, not being a case to which Sub-Paragraph II of this Paragraph or any other Paragraph of this Part applies,—

###### Rates of income-tax

(1) where the total income does not exceed Rs. 18,000	Nil;
(2) where the total income exceeds Rs. 18,000 but does not exceed Rs. 25,000	25 per cent. of the amount by which the total income exceeds Rs. 18,000;
(3) where the total income exceeds Rs. 25,000 but does not exceed Rs. 50,000	Rs. 1,750 plus 30 per cent. of the amount by which the total income exceeds Rs. 25,000;
(4) where the total income exceeds Rs. 50,000 but does not exceed Rs. 1,00,000	Rs. 9,250 plus 40 per cent. of the amount by which the total income exceeds Rs. 50,000;
(5) where the total income exceeds Rs. 1,00,000	Rs. 29,250 plus 50 per cent. of the amount by which the total income exceeds Rs. 1,00,000.

###### Sub-Paragraph II

In the case of every Hindu undivided family which at any time during the previous year has at least one member whose total income of the previous year relevant to the assessment year commencing on the 1st day of April, 1986 exceeds Rs. 18,000,—

*Rates of income-tax*

(1) where the total income does not exceed Rs. 12,000	Nil;
(2) where the total income exceeds Rs. 12,000 but does not exceed Rs. 20,000	25 per cent. of the amount by which the total income exceeds Rs. 12,000;
(3) where the total income exceeds Rs. 20,000 but does not exceed Rs. 40,000	Rs. 2,000 plus 50 per cent. of the amount by which the total income exceeds Rs. 20,000;
(4) where the total income exceeds Rs. 40,000 but does not exceed Rs. 60,000	Rs. 8,000 plus 40 per cent. of the amount by which the total income exceeds Rs. 40,000;
(5) where the total income exceeds Rs. 60,000 but does not exceed Rs. 1,00,000	Rs. 16,000 plus 50 per cent. of the amount by which the total income exceeds Rs. 60,000;
(6) where the total income exceeds Rs. 1,00,000	Rs. 36,000 plus 55 per cent. of the amount by which the total income exceeds Rs. 1,00,000

*Paragraph B*

In the case of every co-operative society,—

*Rates of income-tax*

(1) where the total income does not exceed Rs. 10,000	15 per cent. of the total income;
(2) where the total income exceeds Rs. 10,000 but does not exceed Rs. 20,000	Rs. 1,500 plus 25 per cent. of the amount by which the total income exceeds Rs. 10,000;
(3) where the total income exceeds Rs. 20,000	Rs. 4,000 plus 40 per cent. of the amount by which the total income exceeds Rs. 20,000.

*Paragraph C**Sub-Paragraph I*

In the case of every registered firm, not being a case to which Sub-Paragraph II of this Paragraph applies,—

*Rates of income-tax*

(1) where the total income does not exceed Rs. 10,000	Nil;
(2) where the total income exceeds Rs. 10,000 but does not exceed Rs. 25,000	5 per cent. of the amount by which the total income exceeds Rs. 10,000;
(3) where the total income exceeds Rs. 25,000 but does not exceed Rs. 50,000	Rs. 750 plus 7 per cent. of the amount by which the total income exceeds Rs. 25,000;
(4) where the total income exceeds Rs. 50,000 but does not exceed Rs. 1,00,000	Rs. 2,500 plus 15 per cent. of the amount by which the total income exceeds Rs. 50,000;
(5) where the total income exceeds Rs. 1,00,000	Rs. 10,000 plus 24 per cent. of the amount by which the total income exceeds Rs. 1,00,000.

*Sub-Paragraph II*

In the case of every registered firm whose total income includes income derived from a profession carried on by it and the income so included is not less than fifty-one per cent. of such total income,—

*Rates of income-tax*

(1) where the total income does not exceed Rs. 10,000	Nil;
(2) where the total income exceeds Rs. 10,000 but does not exceed Rs. 25,000	4 per cent. of the amount by which the total income exceeds Rs. 10,000;
(3) where the total income exceeds Rs. 25,000 but does not exceed Rs. 50,000	Rs. 600 plus 7 per cent. of the amount by which the total income exceeds Rs. 25,000;
(4) where the total income exceeds Rs. 50,000 but does not exceed Rs. 1,00,000	Rs. 2,350 plus 19 per cent. of the amount by which the total income exceeds Rs. 50,000;
(5) where the total income exceeds Rs. 1,00,000	Rs. 8,850 plus 22 per cent. of the amount by which the total income exceeds Rs. 1,00,000.

*Explanation.*—For the purposes of this Paragraph, “registered firm” includes an unregistered firm assessed as a registered firm under clause (b) of section 183 of the Income-tax Act.

*Paragraph D*

In the case of every local authority,—

*Rate of income-tax*

On the whole of the total income 50 per cent.

*Paragraph E*

In the case of a company,—

*Rates of income-tax*

I. In the case of a domestic company,—

(1) where the company is a company in which the public are substantially interested 50 per cent. of the total income;

(2) where the company is not a company in which the public are substantially interested—

(i) in the case of a trading company or an investment company 60 per cent. of the total income;

(ii) in any other case 55 per cent. of the total income.

II. In the case of a company other than a domestic company,—

(i) on so much of the total income as consists of—

(a) royalties received from Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 31st day of March, 1961 but before the 1st day of April, 1976, or

(b) fees for rendering technical services received from Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 29th day of February, 1964 but before the 1st day of April, 1976,

and where such agreement has, in either case, been approved by the Central Government 50 per cent.;

(ii) on the balance, if any, of the total income 65 per cent.

*Surcharge on income-tax*

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph shall be increased by a surcharge calculated at the rate of five per cent. of such income-tax.

**PART II**

**RATES FOR DEDUCTION OF TAX AT SOURCE IN CERTAIN CASES**

In every case in which under the provisions of sections 193, 194, 194A, 194B, 194BB, 194D and 195 of the Income-tax Act, tax is to be deducted at the rates in force, deduction shall be made from the income subject to deduction at the following rates:—

	Rate of income-tax
1. In the case of a person other than a company—	
(a) where the person is resident in India—	
(i) on income by way of interest other than “Interest on securities”	10 per cent.;

	Rate of income-tax
(ii) on income by way of winnings from lotteries and crossword puzzles	40 per cent.;
(iii) on income by way of winnings from horse races	40 per cent.;
(iv) on income by way of insurance commission	10 per cent.;
(v) on income by way of interest payable on	10 per cent.;
(A) any security, other than a tax-free security, of the Central or a State Government;	
(B) any debentures or other securities for money issued by or on behalf of any local authority or a corporation established by a Central, State or Provincial Act;	
(C) any debentures issued by a company where such debentures are listed on a recognised stock exchange in India in accordance with the Securities Contracts (Regulation) Act, 1956, and any rules made thereunder	
(vi) on any other income (excluding interest payable on a tax-free security)	20 per cent.;
(b) where the person is not resident in India—	
(i) in the case of a non-resident Indian—	
(A) on investment income and long-term capital gains	20 per cent.;
(B) on income by way of interest payable on a tax-free security	15 per cent.;
(C) on the whole of the other income	income-tax at 30 per cent. of the amount of the income, or income-tax in respect of the income at the rates prescribed in Sub-Paragraph I of Paragraph A of Part III of this Schedule, if such income had been the total income, whichever is higher;
(ii) in the case of any other person—	
(A) on the whole of the income (excluding interest payable on a tax-free security)	income-tax at 30 per cent. of the amount of the income, or income-tax in respect of the income at the rates prescribed in Sub-Paragraph I of Paragraph A of Part III of this Schedule, if such income had been the total income, whichever is higher;
(B) on income by way of interest payable on a tax-free security	15 per cent.;
a. In the case of a company—	
(a) where the company is a domestic company—	
(i) on income by way of interest other than "Interest on securities"	20 per cent.;
(ii) on any other income (excluding interest payable on a tax-free security)	21.5 per cent.;

Rate of income-tax	
(b) where the company is not a domestic company—	
(i) on income by way of dividends payable by any domestic company	25 per cent.;
(ii) on income by way of interest payable by Government or an Indian concern on moneys borrowed or debt incurred by Government or the Indian concern in foreign currency	25 per cent.;
(iii) on income by way of royalty payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 31st day of March, 1976, where such royalty is in consideration for the transfer of all or any rights (including the granting of a licence) in respect of copyright in any book on a subject referred to in the proviso to sub-section (IA) of section 115A of the Income-tax Act, to the Indian concern	30 per cent.
(iv) on income by way of royalty [not being royalty of the nature referred to in sub-item (b) (iii)] payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern and which has been approved by the Central Government,—	
(A) where the agreement is made after the 31st day of March, 1961 but before the 1st day of April, 1976	50 per cent.;
(B) where the agreement is made after the 31st day of March, 1976	30 per cent.;
(v) on income by way of fees for technical services payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern and which has been approved by the Central Government—	
(A) where the agreement is made after the 29th day of February, 1964 but before the 1st day of April, 1976	50 per cent.;
(B) where the agreement is made after the 31st day of March, 1976	30 per cent.;
(vi) on income by way of interest payable on a tax-free security	44 per cent.;
(vii) on any other income	65 per cent.

*Explanation.*—For the purposes of this Part, “investment income”, “long-term capital gains” and “non-resident Indian” shall have the meanings assigned to them in Chapter XII-A of the Income-tax Act.

### PART III

#### RATES FOR CALCULATING OR CHARGING INCOME TAX IN CERTAIN CASES DEDUCTING INCOME-TAX FROM INCOME CHARGEABLE UNDER THE HEAD “SALARIES” OR ANY PAYMENT REFERRED TO IN SUB-SECTION (9) OF SECTION 80E AND COMPUTING “ADVANCE TAX”

In cases in which income-tax has to be calculated under the first proviso to sub-section (5) of section 132 of the Income-tax Act or

charged under sub-section (4) of section 172 or sub-section (2) of section 174 or section 175 or sub-section (2) of section 176 of the said Act or deducted under section 192 of the said Act from income chargeable under the head "Salaries" or deducted under sub-section (9) of section 30E of the said Act from any payment referred to in the said sub-section (9) or in which the "advance tax" payable under Chapter XVII-C of the said Act has to be computed, at the rate or rates in force, such income-tax or, as the case may be, "advance tax" [not being "advance tax" in respect of any income chargeable to tax under Chapter XII or Chapter XII-A or sub-section (1A) of section 161 or section 164 or section 164A or section 167A of the Income-tax Act at the rates as specified in that Chapter or section], shall be so calculated, charged, deducted or computed at the following rate or rates:—

*Paragraph A*

*Sub-Paragraph I*

In the case of every individual or Hindu undivided family or unregistered firm or other association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, not being a case to which Sub-Paragraph II of this Paragraph or any other Paragraph of this Part applies,—

*Rates of income-tax*

(1) where the total income does not exceed Rs. 18,000	<i>Nil</i> ;
(2) where the total income exceeds Rs. 18,000 but does not exceed Rs. 25,000	25 per cent. of the amount by which the total income exceeds Rs. 18,000;
(3) where the total income exceeds Rs. 25,000 but does not exceed Rs. 50,000	Rs. 1,750 plus 30 per cent. of the amount by which the total income exceeds Rs. 25,000;
(4) where the total income exceeds Rs. 50,000 but does not exceed Rs. 1,00,000	Rs. 9,250 plus 40 per cent. of the amount by which the total income exceeds Rs. 50,000;
(5) where the total income exceeds Rs. 1,00,000	Rs. 29,250 plus 50 per cent. of the amount by which the total income exceeds Rs. 1,00,000.

*Sub-Paragraph II*

In the case of every Hindu undivided family which at any time during the previous year has at least one member whose total income of the previous year relevant to the assessment year commencing on the 1st day of April, 1987 exceeds Rs. 18,000,—

*Rates of income-tax*

(1) where the total income does not exceed Rs. 12,000	<i>Nil</i> ;
(2) where the total income exceeds Rs. 12,000 but does not exceed Rs. 20,000	25 per cent. of the amount by which the total income exceeds Rs. 12,000;
(3) where the total income exceeds Rs. 20,000 but does not exceed Rs. 40,000	Rs. 2,000 plus 30 per cent. of the amount by which the total income exceeds Rs. 20,000;
(4) where the total income exceeds Rs. 40,000 but does not exceed Rs. 60,000	Rs. 8,000 plus 40 per cent. of the amount by which the total income exceeds Rs. 40,000;
(5) where the total income exceeds Rs. 60,000 but does not exceed Rs. 1,00,000	Rs. 16,000 plus 50 per cent. of the amount by which the total income exceeds Rs. 60,000;
(6) where the total income exceeds Rs. 1,00,000	Rs. 36,000 plus 55 per cent. of the amount by which the total income exceeds Rs. 1,00,000.

*Paragraph B*

In the case of every co-operative society,—

*Rates of income-tax*

(1) where the total income does not exceed Rs. 10,000	15 per cent. of the total income;
(2) where the total income exceeds Rs. 10,000 but does not exceed Rs. 20,000	Rs. 1,500 plus 25 per cent. of the amount by which the total income exceeds Rs. 10,000;
(3) where the total income exceeds Rs. 20,000	Rs. 4,000 plus 40 per cent. of the amount by which the total income exceeds Rs. 20,000.

*Paragraph C**Sub-Paragraph I*

In the case of every registered firm, not being a case to which Sub-Paragraph II of this Paragraph applies,—

*Rates of income-tax*

(1) where the total income does not exceed Rs. 10,000	Nil;
(2) where the total income exceeds Rs. 10,000 but does not exceed Rs. 25,000	5 per cent. of the amount by which the total income exceeds Rs. 10,000;
(3) where the total income exceeds Rs. 25,000 but does not exceed Rs. 50,000	Rs. 750 plus 7 per cent. of the amount by which the total income exceeds Rs. 25,000;
(4) where the total income exceeds Rs. 50,000 but does not exceed Rs. 1,00,000	Rs. 2,500 plus 15 per cent. of the amount by which the total income exceeds Rs. 50,000;
(5) where the total income exceeds Rs. 1,00,000	Rs. 10,000 plus 24 per cent. of the amount by which the total income exceeds Rs. 1,00,000.

*Sub-Paragraph II*

In the case of every registered firm whose total income includes income derived from a profession carried on by it and the income so included is not less than fifty-one per cent. of such total income,—

*Rates of income-tax*

(1) where the total income does not exceed Rs. 10,000	Nil;
(2) where the total income exceeds Rs. 10,000 but does not exceed Rs. 25,000	4 per cent. of the amount by which the total income exceeds Rs. 10,000;
(3) where the total income exceeds Rs. 25,000 but does not exceed Rs. 50,000	Rs. 600 plus 7 per cent. of the amount by which the total income exceeds Rs. 25,000;
(4) where the total income exceeds Rs. 50,000 but does not exceed Rs. 1,00,000	Rs. 2,350 plus 13 per cent. of the amount by which the total income exceeds Rs. 50,000;
(5) where the total income exceeds Rs. 1,00,000	Rs. 8,850 plus 22 per cent. of the amount by which the total income exceeds Rs. 1,00,000.

*Explanation.*—For the purposes of this Paragraph, “registered firm” includes an unregistered firm assessed as a registered firm under clause (b) of section 183 of the Income-tax Act.

**Paragraph D**

In the case of every local authority,—

**Rate of income-tax**

On the whole of the total income      50 per cent.

**Paragraph E**

In the case of a company,—

**Rates of income-tax****I. In the case of a domestic company,—**

(i) where the company is a company in which the public are substantially interested      50 per cent. of the total income ;

(ii) where the company is not a company in which the public are substantially interested—

(i) in the case of a trading company or an investment company      60 per cent. of the total income ;

(ii) in any other case      55 per cent. of the total income.

**II. In the case of a company other than a domestic company,—**

(i) on so much of the total income as consists of—

(a) royalties received from Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 1st day of March, 1961 but before the 1st day of April, 1976, or

(b) fees for rendering technical services received from Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 29th day of February, 1964 but before the 1st day of April, 1976,

and where such agreement has, in either case, been approved by the Central Government      50 per cent ;

(ii) on the balance, if any, of the total income      65 per cent.

**PART IV**

[See section 2(7) (e)]

**RULES FOR COMPUTATION OF NET AGRICULTURAL INCOME**

**Rule 1.**—Agricultural income of the nature referred to in sub-clause (a) of clause (1) of section 2 of the Income-tax Act shall be computed as if it were income chargeable to income-tax under that Act under the head “Income from other sources” and the provisions of sections 57 to 59 of that Act shall, so far as may be, apply accordingly:

Provided that sub-section (2) of section 58 shall apply subject to the modification that the reference to section 40A therein shall be construed as not including a reference to sub-sections (3) and (4) of section 40A.

**Rule 2.**—Agricultural income of the nature referred to in sub-clause (b) or sub-clause (c) of clause (1) of section 2 of the Income-tax Act [other than income derived from any building required as adwelling house by the receiver of the rent or revenue or the cultivator or the receiver of rent-in-kind referred to in the said sub-clause (c)] shall be computed as if it were income chargeable to income-tax under that

Act under the head "Profits and gains of business or profession" and the provisions of sections 30, 31, 32, 34, 36, 37, 38, 40, 40A [other than sub-sections (3) and (4) thereof], 41, 43 and 43A of the Income-tax Act shall, so far as may be, apply accordingly.

*Rule 3.*—Agricultural income of the nature referred to in sub-clause (c) of clause (1) of section 2 of the Income-tax Act, being income derived from any building required as a dwelling-house by the receiver of the rent or revenue or the cultivator or the receiver of rent-in-kind referred to in the said sub-clause (c) shall be computed as if it were income chargeable to income-tax under that Act under the head "Income from house property" and the provisions of sections 23 to 27 of that Act shall, so far as may be, apply accordingly:

Provided that sub-section (2) of the said section 23 shall apply subject to the modifications that the references to "total income" therein shall be construed as references to net agricultural income and that the words, figures and letter "and before making any deduction under Chapter VI-A" shall be omitted.

*Rule 4.*—Notwithstanding anything contained in any other provisions of these rules, in a case where the assessee derives income from sale of tea grown and manufactured by him in India, such income shall be computed in accordance with rule 8 of the Income-tax Rules, 1962, and sixty per cent. of such income shall be regarded as the agricultural income of the assessee.

*Rule 5.*—Where the assessee is a partner of a registered firm or an unregistered firm assessed as a registered firm under clause (b) of section 183 of the Income-tax Act, which in the previous year has any agricultural income, or is a partner of an unregistered firm which has not been assessed as a registered firm under clause (b) of the said section 183 and which in the previous year has either no income chargeable to tax under the Income-tax Act or has total income not exceeding the maximum amount not chargeable to tax in the case of an unregistered firm but has any agricultural income, then, the agricultural income or loss of the firm shall be computed in accordance with these rules and his share in the agricultural income or loss of the firm shall be computed in the manner laid down in sub-section (1), sub-section (2) and sub-section (3) of section 67 of the Income-tax Act and the share so computed shall be regarded as the agricultural income or loss of the assessee.

*Rule 6.*—Where the assessee is a member of an association of persons or a body of individuals (other than a Hindu undivided family, a company or a firm) which in the previous year has either no income chargeable to tax under the Income-tax Act or has total income not exceeding the maximum amount not chargeable to tax in the case of an association of persons or a body of individuals (other than a Hindu undivided family, a company or a firm) but has any agricultural income, then, the agricultural income or loss of the association or body shall be computed in accordance with these rules and the share of the assessee in the agricultural income or loss so computed shall be regarded as the agricultural income or loss of the assessee.

**Rule 7.**—Where the result of the computation for the previous year in respect of any source of agricultural income is a loss, such loss shall be set off against the income of the assessee, if any, for that previous year from any other source of agricultural income:

Provided that where the assessee is a partner of an unregistered firm which has not been assessed as a registered firm under clause (b) of section 183 of the Income-tax Act or is a member of an association of persons or a body of individuals and the share of the assessee in the agricultural income of the firm, association or body, as the case may be, is a loss, such loss shall not be set off against any income of the assessee from any other source of agricultural income.

**Rule 8.**— Any sum payable by the assessee on account of any tax levied by the State Government on the agricultural income shall be deducted in computing the agricultural income.

**Rule 9.**—(1) Where the assessee has, in the previous year relevant to the assessment year commencing on the 1st day of April, 1986, any agricultural income and the net result of the computation of the agricultural income of the assessee for any one or more of the previous years relevant to the assessment years commencing on the 1st day of April, 1978 or the 1st day of April, 1979 or the 1st day of April, 1980 or the 1st day of April, 1981 or the 1st day of April, 1982 or the 1st day of April, 1983 or the 1st day of April, 1984 or the 1st day of April, 1985, is a loss, then, for the purposes of sub-section (2) of section 2 of this Act,—

(i) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1978, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1979 or the 1st day of April, 1980 or the 1st day of April, 1981 or the 1st day of April, 1982 or the 1st day of April, 1983 or the 1st day of April, 1984 or the 1st day of April, 1985,

(ii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1979, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1980 or the 1st day of April, 1981 or the 1st day of April, 1982 or the 1st day of April, 1983 or the 1st day of April, 1984 or the 1st day of April, 1985,

(iii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1980, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1981, or the 1st day of April, 1982 or the 1st day of April, 1983 or the 1st day of April, 1984 or the 1st day of April, 1985,

(iv) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1981, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year com-

mencing on the 1st day of April, 1982 or the 1st day of April, 1983 or the 1st day of April, 1984 or the 1st day of April, 1985,

(v) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1982, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1983 or the 1st day of April, 1984 or the 1st day of April, 1985,

(vi) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1983, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1984 or the 1st day of April, 1985,

(vii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1984, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1985, and

(viii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1985,

shall be set off against the agricultural income of the assessee for the previous year relevant to the assessment year commencing on the 1st day of April, 1986.

(2) Where the assessee has, in the previous year relevant to the assessment year commencing on the 1st day of April, 1987 or, if by virtue of any provision of the Income-tax Act, income-tax is to be charged in respect of the income of a period other than that previous year, in such other period, any agricultural income and the net result of the computation of the agricultural income of the assessee for any one or more of the previous years relevant to the assessment years commencing on the 1st day of April, 1979 or the 1st day of April, 1980 or the 1st day of April, 1981 or the 1st day of April, 1982 or the 1st day of April, 1983 or the 1st day of April, 1984 or the 1st day of April, 1985 or the 1st day of April, 1986, is a loss, then, for the purposes of sub-section (6) of section 2 of this Act,—

(i) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1979, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1980 or the 1st day of April, 1981 or the 1st day of April, 1982 or the 1st day of April, 1983 or the 1st day of April, 1984 or the 1st day of April, 1985 or the 1st day of April, 1986,

(ii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1980, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1981 or the 1st day of April, 1982 or the 1st day of April, 1983 or the 1st day of April, 1984 or the 1st day of April, 1985 or the 1st day of April, 1986,

(iii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1981, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1982 or the 1st day of April, 1983 or the 1st day of April, 1984 or the 1st day of April, 1985 or the 1st day of April, 1986,

(iv) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1982, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1983 or the 1st day of April, 1984 or the 1st day of April, 1985 or the 1st day of April, 1986,

(v) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1983, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1984 or the 1st day of April, 1985 or the 1st day of April, 1986,

(vi) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1984, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1985 or the 1st day of April, 1986,

(vii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1985, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1986, and

(viii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1986,

shall be set off against the agricultural income of the assessee for the previous year relevant to the assessment year commencing on the 1st day of April, 1987 or the period aforesaid.

(3) Where a change has occurred in the constitution of a firm, nothing in sub-rule (1) or sub-rule (2) shall entitle the firm to set off so much of the loss proportionate to the share of a retired or deceased partner computed in the manner laid down in sub-section (1), sub-section (2) and sub-section (3) of section 67 of the Income-tax Act as exceeds his share of profits, if any, of the previous year in the firm, or entitle any partner to the benefit of any portion of the said loss (computed in the manner aforesaid) which is not apportionable to him.

(4) Where any person deriving any agricultural income from any source has been succeeded in such capacity by another person, otherwise than by inheritance, nothing in sub-rule (1) or sub-rule (2) shall entitle any person, other than the person incurring the loss, to have it set off under sub-rule (1) or, as the case may be, sub-rule (2).

(5) Notwithstanding anything contained in this rule, no loss which has not been determined by the Income-tax Officer under the provisions of these rules or the rules contained in Part IV of the Schedule to the

19 of 1978.  
21 of 1979.  
44 of 1980.  
16 of 1981.  
14 of 1982.  
11 of 1983.  
21 of 1984.  
32 of 1985.

Finance Act, 1978, or of the First Schedule to the Finance Act, 1979, or of the First Schedule to the Finance (No. 2) Act, 1980 or of the First Schedule to the Finance Act, 1981, or of the First Schedule to the Finance Act, 1982, or of the First Schedule to the Finance Act, 1983, or of the First Schedule to the Finance Act 1984, or of the First Schedule to the Finance Act, 1985, shall be set off under sub-rule (1) or, as the case may be, sub-rule (2).

**Rule 10.**—Where the net result of the computation made in accordance with these rules is a loss, the loss so computed shall be ignored and the net agricultural income shall be deemed to be *nil*.

**Rule 11.**—The provisions of the Income-tax Act relating to procedure for assessment (including the provisions of section 288A relating to rounding off of income) shall, with the necessary modifications, apply in relation to the computation of the net agricultural income of the assessee as they apply in relation to the assessment of the total income.

**Rule 12.**—For the purposes of computing the net agricultural income of the assessee, the Income-tax Officer shall have the same powers as he has under the Income-tax Act for the purposes of assessment of the total income.

## THE SECOND SCHEDULE

(See section 48)

In the First Schedule to the Customs Tariff Act,--

- (i) in Chapter 9, in sub-heading No. 0904.20, the entry in column (5) shall be omitted;
- (ii) in Chapter 28, in sub-heading No. 2815.12, for the entry in column (4), the entry "200% plus Rs. 1,500 per tonne" shall be substituted;
- (iii) in Chapter 29,—
  - (i) in sub-heading No. 2917.36, for the entry in column (4), the entry "150% plus Rs. 10 per Kilogram" shall be substituted;
  - (ii) in sub-heading No. 2917.37, for the entries in columns (4) and (5), the entries "150% plus Rs. 10 per Kilogram" and "140% plus Rs. 10 per Kilogram" shall, respectively, be substituted;
  - (iv) in Chapter 39, in sub-heading Nos. 3904.10, 3904.21 and 3904.22, for the entry in column (4), the entry "200% plus Rs. 10,500 per tonne" shall be substituted;
  - (v) in Chapter 48, in sub-heading No. 4814.20, for the entry in column (4), the entry "200%" shall be substituted;
  - (vi) in Chapter 84,—
    - (1) in sub-heading Nos. 8401.10, 8401.20, 8402.11, 8402.12, 8402.19, 8402.20, 8404.20, 8405.10, 8406.11 and 8406.19, for the entry in column (4), the entry "50%" shall be substituted;
    - (2) in sub-heading Nos. 8407.10, 8407.21, 8407.29, 8407.31, 8407.32 8407.33, 8407.34, 8407.90, 8408.10, 8408.20 and 8408.90, for the entry in column (4), the entry "110%" shall be substituted;
    - (3) in sub-heading Nos. 8410.11, 8410.12, 8410.13, 8411.11, 8411.12, 8411.21, 8411.22, 8411.81, 8411.82, 8412.10, 8412.21, 8412.29, 8412.31 and 8412.39, for the entry in column (4), the entry "50%" shall be substituted;
    - (4) in sub-heading Nos. 8412.80, 8413.11, 8413.19 and 8413.20, for the entry in column (4), the entry "70%" shall be substituted;

(5) in sub-heading No. 8413.30, for the entry in column (4), the entry “110%” shall be substituted;

(6) in sub-heading Nos. 8413.40, 8413.50, 8413.60, 8413.70, 8413.81, 8413.82, 8414.10 and 8414.20, for the entry in column (4), the entry “50%” shall be substituted;

(7) in sub-heading No. 8414.30, for the entry in column (4), the entry “110%” shall be substituted;

(8) in sub-heading No. 8414.40, for the entry in column (4), the entry “50%” shall be substituted;

(9) in sub-heading Nos. 8414.51, 8414.59, 8414.60, 8414.80, 8415.10, 8415.81, 8415.82 and 8415.83, for the entry in column (4), the entry “110%” shall be substituted;

(10) in sub-heading Nos. 8416.10, 8416.20 and 8416.30, for the entry in column (4), the entry “50%” shall be substituted;

(11) in sub-heading Nos. 8418.10, 8418.21, 8418.22, 8418.29, 8418.30, 8418.40, 8418.50, 8418.61 and 8418.69, for the entry in column (4), the entry “110%” shall be substituted;

(12) in sub-heading Nos. 8419.11 and 8419.19, for the entry in column (4), the entry “70%” shall be substituted;

(13) in sub-heading Nos. 8419.20, 8419.31, 8419.32, 8419.39 and 8419.40, for the entry in column (4), the entry “50%” shall be substituted;

(14) in sub-heading Nos. 8419.50, 8419.60, 8419.81 and 8419.89, for the entry in column (4), the entry “70%” shall be substituted;

(15) in sub-heading Nos. 8420.10, 8421.11, 8421.12, 8421.19, 8421.21 and 8421.22, for the entry in column (4), the entry “50%” shall be substituted;

(16) in sub-heading Nos. 8421.23, 8421.29, 8421.31 and 8421.39, for the entry in column (4), the entry “110%” shall be substituted;

(17) in sub-heading Nos. 8422.11, 8422.19, 8422.20, 8422.30, 8422.40, 8423.10, 8423.20, 8423.30, 8423.81, 8423.82, 8423.89, 8424.10 and 8424.20, for the entry in column (4), the entry “70%” shall be substituted;

(18) in sub-heading Nos. 8424.30, 8424.81, 8424.89, 8425.11, 8425.19, 8425.20, 8425.31, 8425.39, 8425.41, 8425.42, 8425.49 and 8426.11, for the entry in column (4), the entry “50%” shall be substituted;

(19) in sub-heading No. 8426.12, for the entry in column (4), the entry “70%” shall be substituted;

(20) in sub-heading Nos. 8426.19, 8426.20 and 8426.30, for the entry in column (4), the entry “50%” shall be substituted;

(21) in sub-heading No. 8426.41, for the entry in column (4), the entry “70%” shall be substituted;

(22) in sub-heading Nos. 8426.49, 8426.91 and 8426.99, for the entry in column (4), the entry “50%” shall be substituted;

(23) in sub-heading Nos. 8428.10, 8428.20, 8428.31, 8428.32, 8428.33, 8428.39, 8428.40, 8428.50, 8428.60, 8428.90, 8429.11, 8429.19, 8429.20, 8429.30, 8429.40, 8429.51, 8429.52, 8429.59, 8430.10, 8430.20, 8430.31, 8430.39, 8430.41, 8430.49, 8430.50, 8430.61, 8430.62, 8430.69, 8432.10, 8432.21, 8432.29, 8432.30 and 8432.40, for the entry in column (4), the entry “50%” shall be substituted;

(24) in sub-heading No. 8432.80, for the entry in column (4), the entry “70%” shall be substituted;

(25) in sub-heading Nos. 8433.11, 8433.19, 8433.20, 8433.30, 8433.40, 8433.51, 8433.52, 8433.53, 8433.59, 8433.60, 8434.10 and 8434.20, for the entry in column (4), the entry “50%” shall be substituted;

(26) in sub-heading No. 8435.10, for the entry in column (4), the entry “70%” shall be substituted;

(27) in sub-heading Nos. 8436.10, 8436.21, 8436.29, 8436.80, 8437.10 and 8437.80, for the entry in column (4), the entry "50%" shall be substituted;

(28) in sub-heading Nos. 8438.10 and 8438.20, for the entry in column (4), the entry "70%" shall be substituted;

(29) in sub-heading No. 8438.30, for the entry in column (4), the entry "50%" shall be substituted;

(30) in sub-heading Nos. 8438.40, 8438.50, 8438.60 and 8438.80, for the entry in column (4), the entry "70%" shall be substituted;

(31) in sub-heading Nos. 8439.10, 8439.20, 8439.30 and 8440.10, for the entry in column (4), the entry "50%" shall be substituted;

(32) in sub-heading Nos. 8441.20, 8441.30, 8441.40, 8441.80, 8442.10, 8442.20, 8442.30, 8443.11, 8443.12, 8443.19, 8443.21, 8443.29, 8443.30, 8443.40, 8443.50, 8443.60, 8444.00, 8445.11, 8445.12, 8445.13, 8445.19, 8445.20, 8445.30, 8445.40, 8445.90, 8446.10, 8446.21, 8446.29 and 8446.30, for the entry in column (4), the entry "50%" shall be substituted;

(33) in sub-heading Nos. 8447.11, 8447.12, 8447.20 and 8447.90, for the entry in column (4), the entry "70%" shall be substituted;

(34) in sub-heading No. 8448.11, for the entry in column (4), the entry "50%" shall be substituted;

(35) in sub-heading No. 8448.19, for the entry in column (4), the entry "70%" shall be substituted;

(36) in sub-heading No. 8449.00, for the entry in column (4), the entry "50%" shall be substituted;

(37) in sub-heading Nos. 8450.11, 8450.12, 8450.19, 8450.20, 8451.10, 8451.21, 8451.29, 8451.30 and 8451.40, for the entry in column (4), the entry "70%" shall be substituted;

(38) in sub-heading No. 8451.50, for the entry in column (4), the entry "50%" shall be substituted;

(39) in sub-heading No. 8451.80, for the entry in column (4), the entry "70%" shall be substituted;

(40) in sub-heading No. 8452.10, for the entry in column (4), the entry "110%" shall be substituted;

(41) in sub-heading Nos. 8452.21, 8452.29, 8453.10, 8453.20, 8453.80, 8455.10, 8455.21 and 8455.22, for the entry in column (4), the entry "50%" shall be substituted;

(42) in sub-heading Nos. 8456.10, 8456.20, 8456.30, 8456.90, 8457.10, 8457.20, 8457.30, 8458.11, 8458.19, 8458.91, 8458.99, 8459.10, 8459.21, 8459.29, 8459.31, 8459.39, 8459.40, 8459.51, 8459.59, 8459.61, 8459.69, 8459.70, 8460.11, 8460.19, 8460.21, 8460.29, 8460.31, 8460.39, 8460.40, 8460.90, 8461.10, 8461.20, 8461.30, 8461.40, 8461.50, 8461.90, 8462.10, 8462.21, 8462.29, 8462.31, 8462.39, 8462.41, 8462.49, 8462.91, 8462.99, 8463.10, 8463.20, 8463.30, 8463.90, 8464.10, 8464.20, 8464.90, 8465.10, 8465.91, 8465.92, 8465.93, 8465.94, 8465.95, 8465.96 and 8465.99, for the entry in column (4), the entry "250%" shall be substituted;

(43) in sub-heading Nos. 8467.11, 8467.19, 8467.81 and 8467.89, for the entry in column (4), the entry "50%" shall be substituted;

(44) in sub-heading Nos. 8468.10, 8468.20 and 8468.80, for the entry in column (4), the entry "70%" shall be substituted;

(45) in sub-heading Nos. 8474.10, 8474.20, 8474.31, 8474.32, 8474.39, 8474.80, 8475.10 and 8475.20, for the entry in column (4), the entry "50%" shall be substituted;

(46) in sub-heading Nos. 8476.11 and 8476.10, for the entry in column (4), the entry "70%" shall be substituted;

(47) in sub-heading Nos. 8477.10, 8477.20, 8477.30, 8477.40, 8477.51, 8477.59, 8477.80 and 8478.10, for the entry in column (4), the entry "50%" shall be substituted;

(48) in sub-heading No. 8479.10, for the entry in column (4), the entry "70%" shall be substituted;

(49) in sub-heading Nos. 8479.20, 8479.30 and 8479.40, for the entry in column (4), the entry "50%" shall be substituted;

(50) in sub-heading Nos. 8479.81, 8479.82 and 8479.89, for the entry in column (4), the entry "70%" shall be substituted;

(51) in sub-heading No. 8481.30, for the entry in column (4), the entry "60%" shall be substituted;

(52) in sub-heading Nos. 8482.91 and 8482.99, for the entry in column (4), the entry "200 % plus Rs. 100 per piece" shall be substituted;

(vii) in Chapter 85,—

(1) in sub-heading Nos. 8501.10, 8501.20, 8501.31 and 8501.32, for the entry in column (4), the entry "110%" shall be substituted;

(2) in sub-heading Nos. 8501.33 and 8501.34, for the entry in column (4), the entry "50%" shall be substituted;

(3) in sub-heading Nos. 8501.40, 8501.51 and 8501.52, for the entry in column (4), the entry "110%" shall be substituted;

(4) in sub-heading Nos. 8501.53, 8501.61, 8501.62, 8501.63, 8501.64, 8502.11, 8502.12, 8502.13, 8502.20, 8502.30 and 8502.40, for the entry in column (4), the entry "50%" shall be substituted;

(5) in sub-heading Nos. 8504.10 and 8504.21, for the entry in column (4), the entry "110%" shall be substituted;

(6) in sub-heading Nos. 8504.22 and 8504.23, for the entry in column (4), the entry "50%" shall be substituted;

(7) in sub-heading Nos. 8504.31 and 8504.32, for the entry in column (4), the entry "110%" shall be substituted;

(8) in sub-heading Nos. 8504.33, 8504.34 and 8504.40, for the entry in column (4), the entry "50%" shall be substituted;

(9) in sub-heading No. 8504.50, for the entry in column (4), the entry "110%" shall be substituted;

(10) in sub-heading Nos. 8508.10, 8508.20, 8508.80, 8509.10, 8509.20, 8509.30, 8509.40, 8509.80, 8510.10 and 8510.20, for the entry in column (4), the entry "70%" shall be substituted;

(11) in sub-heading Nos. 8515.11 and 8515.19, for the entry in column (4), the entry "70%" shall be substituted;

(12) in sub-heading Nos. 8515.21, 8515.29, 8515.31, 8515.39 and 8515.80, for the entry in column (4), the entry "50%" shall be substituted;

(13) in sub-heading Nos. 8516.10, 8516.21, 8516.29, 8516.31, 8516.32, 8516.33, 8516.40, 8516.50, 8516.60, 8516.71, 8516.72, 8516.79 and 8516.80, for the entry in column (4), the entry "70%" shall be substituted;

(14) in sub-heading Nos. 8517.10, 8517.20, 8517.30, 8517.40, 8517.81, 8517.82, 8543.10, 8543.20, 8543.30 and 8543.80, for the entry in column (4), the entry "110%" shall be substituted;

(viii) in Chapter 89, in sub-heading No. 8908.00, for the entry in column (4), the entry "40% plus Rs. 1,400 per Light Displacement Tonnage" shall be substituted;

## THE THIRD SCHEDULE

(See section 52)

## PART I

In the Schedule to the Central Excise Tariff Act,—

(1) under the heading “*Rules for the interpretation of this Schedule*”, in rule 2, in clause (a), for the words “a reference to that goods”, at both the places where they occur, the words “a reference to those goods” shall be substituted;

(2) in Chapter 9,—

(a) in sub-heading No. 0901.11, for the entry in column (4), the entry “Rs. 78 per quintal” shall be substituted;

(b) in sub-heading No. 0901.19, for the entry in column (4), the entry “Rs. 105 per quintal” shall be substituted;

(c) in sub-heading No. 0902.11, in column (4), for the figures and word “40 paise”, the figures and word “44 paise” shall be substituted;

(d) in sub-heading No. 0902.12, in column (4), for the abbreviation and figure “Re.1”, the abbreviation and figures “R.C. 1.10” shall be substituted;

(e) in sub-heading No. 0902.13, in column (4), for the figures and abbreviation “10%”, the figures and abbreviation “11%” shall be substituted;

(3) in Chapter 15, in sub-heading No. 1503.10, for the entry in column (4), the entry “Rs. 5,000 per tonne” shall be substituted;

(4) in Chapter 17,—

(a) in NOTE 2, for the words “For the purposes of this Chapter”, the words, letters and figures “For the purposes of sub-heading Nos. 1701.10, 1701.20, 1701.31 and 1701.39” shall be substituted;

(b) in heading No. 17.01, after sub-heading No. 1701.20 and the entries relating thereto, in column (3), for the entry “-Cane sugar, other than khandsari sugar:”, the entry “-Sugar, other than khandsari sugar:” shall be substituted;

(5) in Chapter 19, in heading No. 19.05, after sub-heading No. 1905.19 and the entries relating thereto, in column (3), for the entry “Cakes and pastry:”, the entry “-Cakes and pastry:” shall be substituted;

(6) in Chapter 20, in sub-heading No. 2001.10, for the entry in column (4) the entry “15%” shall be substituted;

(7) in Chapter 21,—

(a) for NOTE 3, the following shall be substituted, namely:—

‘3. In this Chapter, “Pan Masala” means any preparation containing betel nuts and any one or more of other ingredients such as lime, katha (catechu), cardamom, copra, menthol and tobacco; and in relation to such a preparation, labelling or re-labelling of containers and re-packing from bulk packs to retail packs or the adoption of any other treatment to render the product marketable to the consumer, shall amount to “manufacture”’;

(b) in sub-heading No. 2101.10, in column (4), for the figures and abbreviation “25%”, the figures and abbreviation “26%” shall be substituted;

(c) in sub-heading No. 2101.20, in column (4), for the figures and abbreviation “10%”, the figures and abbreviation “11%” shall be substituted;

(d) in sub-heading No. 2103.19, for the entry in column (4), the entry "10%" shall be substituted;

(8) in Chapter 22,—

(a) for the title of the Chapter, the following title and Note shall be substituted, namely:—

**"BEVERAGES, VINEGAR AND SPIRITS**

**NOTE**

"This Chapter does not cover alcoholic liquors for human consumption.;"

(b) in sub-heading No. 2202.90, for the entry in column (4), the entry "15%" shall be substituted;

(9) in Chapter 23, in sub-heading No. 2301.00, for the entry in column (4), the entry "12%" shall be substituted;

(10) in Chapter 24,—

(a) in heading No. 24.02, after sub-heading No. 2402.10 and the entries relating thereto, in column (3), for the entry "-Bearing a brand name and of which the value per thousand:", the entry "-Bearing a brand name and of which the value per hundred:" shall be substituted;

(b) in sub-heading No. 2404.31, for the entry in column (4), the entry "Rs. 6.30 per thousand" shall be substituted;

(11) in Chapter 27,—

(a) in sub-heading Nos. 2701.00 and 2704.00, for the entry in column (4), the entry "12%" shall be substituted;

(b) in heading No. 27.10,—

(i) in sub-heading Nos. 2710.21 and 2710.31, for the entry in column (4), the entry "Rs. 1,000 per kilolitre at 15° C" shall be substituted;

(ii) after sub-heading No. 2710.29 and the entries relating thereto, in column (3) in the portion occurring before sub-heading No. 2710.31, for the words and figures "smoke point of less than 10 millimetres or more", the words and figures "smoke point of 10 millimetres or more" shall be substituted;

(c) in sub-heading No. 2710.50, for the entry in column (4), the entry "Rs. 127.10 per kilolitre at 15° C" shall be substituted;

(d) in sub-heading Nos. 2710.60, 2710.70 and 2710.80, for the entry in column (4), the entry "Rs. 3,675 per tonne" shall be substituted;

(e) in sub-heading No. 2710.92, for the entry in column (4), the entry "21%" shall be substituted;

(f) in sub-heading No. 2710.93, for the entry in column (4), the entry "Rs. 630 per tonne" shall be substituted;

(g) in sub-heading No. 2710.94, for the entry in column (4), the entry "Rs. 620.25 per tonne" shall be substituted;

(h) in sub-heading No. 2710.95, for the entry in column (4), the entry "Rs. 3,675 per tonne" shall be substituted;

(i) in sub-heading No. 2710.99, for the entry in column (4), the entry "20% plus Rs. 250 per tonne" shall be substituted;

(j) in sub-heading No. 2711.19, for the entry in column (4), the entry "Rs. 1,000 per tonne" shall be substituted;

(k) in sub-heading No. 2712.20, for the entry in column (4), the entry "20% plus Rs. 550 per tonne" shall be substituted;

(l) in sub-heading No. 2713.11, for the entry in column (4), the entry "21%" shall be substituted;

(m) in sub-heading No. 2713.12, for the entry in column (4), the entry "21%" shall be substituted;

(n) in sub-heading No. 2713.21, for the entry in column (4), the entry "Rs. 157 per tonne" shall be substituted;

(o) in sub-heading No. 2713.22, for the entry in column (4), the entry "Rs. 110.30 per tonne" shall be substituted;

(p) in sub-heading No. 2713.31, for the entry in column (4), the entry "Rs. 154.50 per tonne" shall be substituted;

(q) in sub-heading No. 2713.32, for the entry in column (4), the entry "Rs. 154.50 per tonne" shall be substituted;

(r) in sub-heading No. 2713.39, for the entry in column (4), the entry "20% plus Rs. 250 per tonne" shall be substituted;

(s) in heading No. 27.14, in column (3), for the entry "-Bitumen straight grade:", the entry "-Bitumen and asphalt, straight grade:" shall be substituted;

(t) in sub-heading No. 2714.11, for the entry in column (4), the entry "Rs. 157 per tonne" shall be substituted;

(u) in sub-heading No. 2714.12, for the entry in column (4), the entry "Rs. 110.30 per tonne" shall be substituted;

(v) in heading No. 27.15, in column (3), for the entry "-Bituminous cut backs:", the entry "-Cut-back bitumen or asphalt:" shall be substituted;

(w) in sub-heading No. 2715.11, for the entry in column (4), the entry "Rs. 157.30 per tonne" shall be substituted;

(x) in sub-heading No. 2715.12, for the entry in column (4), the entry "Rs. 110.00 per tonne" shall be substituted;

(x2) in Chapter 28,—

(a) in sub-heading No. 2801.90, for the entry in column (4), the entry "15%" shall be substituted;

(b) in sub-heading No. 2802.20, in column (3), for the entry "-Sulphuric acid; oleum", the entry "-Sulphuric acid and anhydrides thereof; oleum" shall be substituted;

(c) in sub-heading No. 2802.30, in column (3), for the entry "-Nitric acid; sulphonitric acids", the entry "-Nitric acid" shall be substituted;

(d) in sub-heading No. 2802.90, for the entry in column (4), the entry "15%" shall be substituted;

(e) in sub-heading No. 2803.00, for the entry in column (4), the entry "15%" shall be substituted;

(f) in sub-heading No. 2804.10, for the entry in column (4), the entry "Rs. 1,000 per tonne" shall be substituted;

(g) in sub-heading Nos. 2804.40, 2804.50 and 2804.60, for the entry in column (4), the entry "10%" shall be substituted;

(h) in sub-heading No. 2804.90, for the entry in column (4), the entry "15%" shall be substituted;

(i) in sub-heading Nos. 2805.30, 2805.90 and 2806.90, for the entry in column (4), the entry "15%" shall be substituted;

(x3) in Chapter 29,—

(a) in Note 2, for clauses (b) and (c) the following clauses shall be substituted, namely :—

“(b) Ethyl Alcohol;

(c) Methane or propane (Chapter 27);;

(b) in sub-heading No. 2901·10, in column (4), for the abbreviation and figure "Rs. 7", the abbreviation and figures "Rs. 11" shall be substituted;

(c) in sub-heading No. 2901·20, for the entry in column (4), the entry "35%" shall be substituted;

(d) in sub-heading Nos. 2901·90, 2902·90, 2903·90, 2904·00 and 2905·00, for the entry in column (4), the entry "15%" shall be substituted;

(e) sub-heading No. 2902·20 and the entries relating thereto shall be omitted;

(f) sub-heading No. 2902·30 shall be renumbered as sub-heading No. 2902·20;

(g) in heading No. 29.06, the entry in column (4) shall be omitted;

(h) in sub-heading Nos. 2906·90, 2907·90, 2908·00, 2909·90, 2910·00, 2911·90 and 2913·00, for the entry in column (4), the entry "15%" shall be substituted;

(14) in Chapter 30,—

(a) in the Notes,—

(i) in NOTE 2, in sub-clause (b) of clause (i), after the words "suitable for such uses", the words, "put up in measured doses or in packings for retail sale or for use in hospitals" shall be inserted;

(ii) in NOTE 6, for the words "with an added diluent", the words "with pharmaceutical necessities such as added diluent" shall be substituted;

(b) in sub-heading Nos. 3003·19, 3004·00, 3005·20 and 3005·90, for the entry in column (4), the entry "15%" shall be substituted;

(15) in Chapter 31,—

(a) below the title of the Chapter, the following NOTES shall be inserted, namely:—

#### NOTES

1. Heading Nos. 31·02, 31·03, 31·04 and 31·05 cover mineral or chemical fertilisers, even when they are clearly not to be used as fertilisers.

2. For the purposes of heading No. 31·05, the term "other fertilisers" applies only to products of a kind used as fertilisers and containing, as an essential constituent, at least one of the fertilising elements nitrogen, phosphorus or potassium.;

(b) in sub-heading Nos. 3102·00, 3103·00, 3104·00 and 3105·00, for the entry in column (4), the entry "15%" shall be substituted;

(16) in Chapter 32,—

(a) in the Notes,—

(i) in NOTE 2, after the words "dispersed in non-aqueous", the words "media, in liquid or paste form, of a kind used in the" shall be inserted;

(ii) after NOTE 5, the following NOTE shall be inserted, namely:—

6. In relation to synthetic organic dyes (including pigment dyes) of heading No. 32·04, conversion of unformulated, unstandardised or unprepared forms (for example, wet cakes) of such dyes by—

(a) reduction in particle size,

(b) addition of dispersing agents or diluents, or  
 (c) adoption of any other treatment,  
 into their formulated, standardised or prepared forms ready for use in the process of dyeing shall amount to "manufacture";

(b) in sub-heading Nos. 3201·00, 3202·00 and 3203·00, for the entry in column (4), the entry "15%" shall be substituted;

(c) in sub-heading No. 3205·00, for the entry in column (4), the entry "20%" shall be substituted;

(d) in sub-heading No. 3206·11, for the entry in column (4), the entry "15%" shall be substituted;

(e) in sub-heading Nos. 3206·19, 3206·20, 3206·90 and 3207·90, for the entry in column (4), the entry "10%" shall be substituted;

(f) in sub-heading Nos. 3208·10, 3208·20, 3208·30, 3208·40, 3208·90, 3209·10, 3209·20, 3209·90, 3210·10, 3210·20 and 3210·90, for the entry in column (4), the entry "60%" shall be substituted;

(g) in sub-heading No. 3211·00, for the entry in column (4), the entry "15%" shall be substituted;

(h) in heading No. 32·12, in column (3), for the words "DYES AND OTHER COLOURING MATTER", the words and brackets "DYES AND OTHER COLOURING MATTER PUT UP IN FORMS (FOR EXAMPLE, BALLS, TABLETS AND THE LIKE) OR SMALL PACKINGS (FOR EXAMPLE, SACHETS OR BOTTLES OF LIQUID) OF A KIND USED FOR DOMESTIC OR LABORATORY PURPOSES" shall be substituted;

(i) in sub-heading No. 3212·10, for the entry in column (4), the entry "15%" shall be substituted;

(j) in sub-heading No. 3212·90, for the entry in column (4), the entry "20%" shall be substituted;

(k) in sub-heading No. 3213·00, for the entry in column (4), the entry "10%" shall be substituted;

(l) in sub-heading Nos. 3214·00 and 3215·00, for the entry in column (4), the entry "15%" shall be substituted;

(17) in Chapter 33,—

(a) in NOTE 3, the words "odoriferous preparations which operate by burning;" shall be omitted;

(b) in sub-heading No. 3301·00, for the entry in column (4), the entry "20%" shall be substituted;

(c) in sub-heading No. 3303·00, for the entry in column (4), the entry "20%" shall be substituted;

(d) in sub-heading No. 3305·10, for the entry in column (4), the entry "25%" shall be substituted;

(e) in sub-heading No. 3306·00, for the entry in column (4), the entry "15%" shall be substituted;

(f) in sub-heading No. 3308·90, for the entry in column (4), the entry "15%" shall be substituted;

(18) in Chapter 34,—

(a) in NOTE 5, in clause (i), for the words and figures "Products of Chapters 15 and 34", the words and figures "Products of Chapter 15 and heading No. 34·02" shall be substituted;

(b) in sub-heading No. 3401·20, for the entry in column (4), the entry "20%" shall be substituted;

(c) in sub-heading No. 3401·30, for the entry in column (4), the entry "15%" shall be substituted;

(d) in sub-heading No. 3402·90, for the entry in column (4), the entry "20%" shall be substituted;

(e) in sub-heading No. 3404·00, for the entry in column (4), the entry "15%" shall be substituted;

(f) in sub-heading Nos. 3405·10, 3405·20, 3405·30, 3405·40 and 3405·90, for the entry in column (4), the entry "20%" shall be substituted;

(g) in sub-heading Nos. 3406·00 and 3407·00, for the entry in column (4), the entry "15%" shall be substituted;

(19) in Chapter 35, in sub-heading No. 3501·90, for the entry in column (4), the entry "15%" shall be substituted;

(20) in Chapter 36, in sub-heading Nos. 3601·00, 3602·10, 3602·90 and 3604·00, for the entry in column (4), the entry "15%" shall be substituted;

(21) in Chapter 37,—

(a) in sub-heading No. 3701·10, for the entry in column (4), the entry "15%" shall be substituted;

(b) in sub-heading No. 3701·90, for the entry in column (4), the entry "20%" shall be substituted;

(c) in sub-heading Nos. 3702·10 and 3702·20, for the entry in column (4), the entry "20%" shall be substituted;

(d) in sub-heading No. 3704·00, for the entry in column (4), the entry "30 paise per metre" shall be substituted;

(e) in heading No. 37·05, in column (3), for the words "-Prints of films intended for specific purposes", the words "-Prints of films intended for specified purposes:" shall be substituted;

(f) sub-heading No. 3705·34 and the entries relating thereto shall be omitted;

(g) in sub-heading No. 3705·39, for the entry in column (4), the entry "55 paise per metre" shall be substituted;

(h) in sub-heading No. 3706·00, for the entry in column (4), the entry "15%" shall be substituted;

(22) in Chapter 38,—

(a) in sub-heading Nos. 3801·11 and 3801·19, for the entry in column (4), the entry "15%" shall be substituted;

(b) in sub-heading Nos. 3801·40 and 3801·90, for the entry in column (4), the entry "15%" shall be substituted;

(23) in Chapter 39,—

(a) in NOTE 11,—

(i) in the opening portion, for the words and figures "Heading No. 39·23 applies only to", the words and figures "Heading No. 39·22 applies *inter alia* to" shall be substituted;

(ii) in clause (a), the words and figures "of a capacity exceeding 300 litres" shall be omitted;

(iii) in clause (i), the word "and" at the end shall be omitted;

(iv) after clause (j), the following clauses shall be inserted namely :—

"(k) Transmission, conveyor or elevator belts, endless, or cut-to-length and joined end to end, or fitted with fasteners; and

(l) Household articles of plastics (for example, dust bins, buckets, watering cans, luncheon boxes, knives, forks).";

(b) in sub-heading Nos. 3901·10, 3901·20, 3901·90, 3902·10, 3902·20, 3902·90, 3903·10, 3903·20, 3903·30, 3903·90, 3904·10, 3904·20, 3904·30, 3904·90, 3905·10, 3905·20, 3905·90, 3906·10, 3906·20, 3906·90, 3907·10, 3907·20, 3907·30, 3907·40, 3907·51, 3907·59, 3907·60, 3907·70, 3907·80, 3907·91, 3907·99 and 3908·00, for the entry in column (4), the entry "60%" shall be substituted;

(c) in heading No. 39·09, in column (3), for the word "AMINO-RESINS", the words "AMINO-RESINS, POLYPHENYLENE OXIDE" shall be substituted;

(d) in sub-heading Nos. 3909·10, 3909·20, 3909·30, 3909·40, 3909·51, 3909·52 and 3909·59, for the entry in column (4), the entry "60%" shall be substituted;

(e) in sub-heading Nos. 3910·00, 3911·10, 3911·90, 3912·10, 3912·21, 3912·22, 3912·30, 3912·40, 3912·90, 3913·10, 3913·20, 3913·30, 3913·90, 3914·00, 3915·00, 3916·00, 3917·00, 3918·00, 3919·00, 3920·11, 3920·12, 3920·21, 3920·22, 3920·29, 3920·31 and 3920·32, for the entry in column (4), the entry "60%" shall be substituted;

(f) in heading No. 39·21, in column (3), for the words "-Cellular, including polyurethane, foam", the words "-Cellular, including polyurethane foam:" shall be substituted;

(g) heading No. 39·22 and the entries relating thereto shall be omitted;

(24) in Chapter 40,—

(a) in NOTE 3, for the word "excluding", the word "including" shall be substituted;

(b) in sub-heading Nos. 4002·00, 4003·00 and 4004·00, for the entry in column (4), the entry "15%" shall be substituted;

(c) in sub-heading Nos. 4005·00 and 4006·10, for the entry in column (4), the entry "40%" shall be substituted;

(d) in sub-heading Nos. 4006·90 and 4007·00, for the entry in column (4), the entry "15%" shall be substituted;

(e) in sub-heading Nos. 4008·11 and 4008·19, for the entry in column (4), the entry "60%" shall be substituted;

(f) in sub-heading No. 4008·21, for the entry in column (4), the entry "40%" shall be substituted;

(g) in sub-heading No. 4010·90, for the entry in column (4), the entry "30%" shall be substituted;

(h) in sub-heading No. 4014·90, for the entry in column (4), the entry "15%" shall be substituted;

(i) in sub-heading No. 4015·10, for the entry in column (4), the entry "60%" shall be substituted;

(j) in sub-heading Nos. 4015·90, 4016·00, 4017·00, 4018·10 and 4018·20, for the entry in column (4), the entry "15%" shall be substituted;

(25) in Chapter 41, in sub-heading No. 4101·00, for the entry in column (4), the entry "12%" shall be substituted;

(26) in Chapter 44,—

(a) in heading No. 44·07, in column (3), for the word "-FIBREBOARD" the word "FIBREBOARD" shall be substituted;

(b) in heading No. 44·08, in column (3), for the word "-PLYWOOD", the word "PLYWOOD" shall be substituted;

(c) in sub-heading Nos. 4408·10 and 4408·20, for the entry in column (4), the entry "20%" shall be substituted;

(d) in sub-heading No. 4408·40, in column (3), for the words "-Cuttings and trimmings of plywood", the words and figure "-Cuttings and trimmings of plywood of width not exceeding 5 centimetres" shall be substituted;

(27) in Chapter 48,—

- (a) sub-heading No. 4801·20 shall be renumbered as sub-heading No. 4801·90;
- (b) in sub-heading No. 4802·91, for the entry in column (4), the entry “10% plus Rs. 1,700 per tonne” shall be substituted;
- (c) in sub-heading No. 4802·99, for the entry in column (4), the entry “10% plus Rs. 1,300 per tonne” shall be substituted;
- (d) in sub-heading Nos. 4804·19, 4804·29 and 4804·30, for the entry in column (4), the entry “10% plus Rs. 1,700 per tonne” shall be substituted;
- (e) in heading No. 48·05, in column (3), for the words “made out of mixed waste papers with or without screenings and mechanical pulp”, the words “made out of mixed waste papers, whether or not containing screenings or mechanical pulp” shall be substituted;
- (f) in sub-heading No. 4805·19, for the entry in column (4), the entry “10% plus Rs. 575 per tonne” shall be substituted;
- (g) in sub-heading No. 4805·30, for the entry in column (4), the entry “10% plus Rs. 2,000 per tonne” shall be substituted;
- (h) in sub-heading Nos. 4806·10 and 4806·20, for the entry in column (4), the entry “10% plus Rs. 2,200 per tonne” shall be substituted;
- (i) in sub-heading No. 4807·10, for the entry in column (4), the entry “10% plus Rs. 1,550 per tonne” shall be substituted;
- (j) in sub-heading No. 4807·91, in column (3), for the word “drying”, the word “sun-drying” shall be substituted;
- (k) in sub-heading No. 4807·92, for the entry in column (4), the entry “10% plus Rs. 575 per tonne” shall be substituted;
- (l) in sub-heading No. 4807·99, for the entry in column (4), the entry “10% plus Rs. 1,550 per tonne” shall be substituted;
- (m) in sub-heading Nos. 4808·10 and 4808·90, for the entry in column (4), the entry “10% plus Rs. 1,550 per tonne” shall be substituted;
- (n) in sub-heading Nos. 4809·10, 4809·20 and 4809·90, for the entry in column (4), the entry “35%” shall be substituted;
- (o) in sub-heading No. 4810·10, for the entry in column (4), the entry “10% plus Rs. 1,700 per tonne” shall be substituted;
- (p) in sub-heading No. 4810·20, for the entry in column (4), the entry “10% plus Rs. 2,200 per tonne” shall be substituted;
- (q) in sub-heading Nos. 4811·10 and 4811·20, for the entry in column (4), the entry “10% plus Rs. 1,550 per tonne” shall be substituted;
- (r) in sub-heading Nos. 4811·39 and 4811·40, for the entry in column (4), the entry “10% plus Rs. 2,200 per tonne” shall be substituted;
- (s) in sub-heading No. 4813·00, for the entry in column (4), the entry “10% plus Rs. 2,200 per tonne” shall be substituted;
- (t) in sub-heading No. 4816·00, for the entry in column (4), the entry “35%” shall be substituted;
- (u) in sub-heading Nos. 4817·10, 4817·20 and 4817·90, for the entry in column (4), the entry “10% plus Rs. 1,550 per tonne” shall be substituted;
- (v) in sub-heading No. 4818·13, for the entry in column (4), the entry “35%” shall be substituted;
- (28) in Chapter 49, in NOTE 1, clause (c) shall be omitted;

## (29) in Chapter 52,—

(a) after NOTE 5, the following NOTE shall be inserted, namely :—

“6. Heading No. 52.01 applies only to such waste yarn (hard waste) as may arise prior to the removal of yarn for weaving.”;

(b) in sub-heading No. 5203.32, in column (4), for the words “per count”, the words “per count per kilogram” shall be substituted;

(c) in sub-heading No. 5203.33, for the entry in column (4), the entry “26.40 paise plus 4.40 paise per count per kilogram exceeding 35” shall be substituted;

(d) in sub-heading Nos. 5203.34, 5203.35, 5203.41, 5203.42 and 5203.43, in column (4), for the words “per count”, the words “per count per kilogram” shall be substituted;

(e) in sub-heading No. 5204.21, for the entry in column (4), the entry “Rs. 10 per kilogram” shall be substituted ;

(f) in heading No. 52.09, in column (3), for the words, brackets and figures “CONTAINING (i) COTTON, AND (ii) POLYESTER STAPLE FIBRE (WHETHER OR NOT CONTAINING POLYESTER FILAMENT YARN BUT NOT ANY OTHER TEXTILE MATERIAL)”, the words, brackets and figures “CONTAINING (i) COTTON, AND (ii) POLYESTER STAPLE FIBRE OR POLYESTER FILAMENT YARN, OR BOTH (NOT CONTAINING ANY OTHER TEXTILE MATERIAL)” shall be substituted;

(30) in Chapter 53, after sub-heading No. 5303.20 and the entries relating thereto, in column (3), for the words “In or in relation to”, the words “Ramie yarn, in or in relation to” shall be substituted;

## (31) in Chapter 54,—

(a) for NOTE 4, the following NOTES shall be substituted, namely:—

‘4. For the purposes of heading Nos. 54.02 and 54.04, the denier of the mother yarn for split yarn shall be the denier of the single monofilament yarn (of the lowest denierage) comprising the mother yarn.

5. In this Chapter “waste” means wastes arising in or in relation to the manufacture of (i) filaments; or (ii) strips and the like of synthetic or artificial textile materials of an apparent width not exceeding 5 millimetres.’;

(b) in heading No. 54.04,—

(i) in sub-heading No. 5404.16, in column (4), for the abbreviation and figures “Rs. 3.72”, the abbreviation and figures “Rs. 4.05” shall be substituted;

(ii) sub-heading Nos. 5404.21, 5404.22, 5404.23, 5404.24 and 5404.25 shall be renumbered as sub-heading Nos. 5404.91, 5404.92, 5404.93, 5404.94 and 5404.95, respectively;

## (32) in Chapter 55,—

(a) after NOTE 3, the following NOTE shall be inserted, namely :—

“4. In relation to waste yarn(hard waste)of artificial staple fibres, sub-heading No. 5503.39 applies only to such waste yarn as may arise prior to the removal, for weaving, of yarn of artificial staple fibres.”;

(b) sub-heading No. 5501.40, and the entries relating thereto shall be omitted;

(c) in sub-heading Nos. 5502.00, 5504.21 and 5504.22, for the entry in column (4), the entry “Rs. 10 per kilogram” shall be substituted;

(d) in sub-heading No. 5505.32, in column (4), for the words “per count”, the words “per count per kilogram” shall be substituted ;

(e) in sub-heading No. 5505.33, for the entry in column (4), the entry “26.40 paise *plus* 4.40 paise per count per kilogram exceeding 35’ shall be substituted;

(f) in sub-heading Nos. 5505.34, 5505.35, 5505.41, 5505.42 and 5505.43, in column (4), for the words “per count”, the words “per count per kilogram” shall be substituted;

(g) in sub-heading No. 5506.21, for the entry in column (4), the entry “Rs. 10 per kilogram” shall be substituted;

(h) in heading No. 55.12, in column (3), for the words, brackets and figures “CONTAINING (i) COTTON, (ii) POLYESTER STAPLE FIBRE, (iii) RAMIE OR ANY ONE OR MORE OF ARTIFICIAL STAPLE FIBRES”, the words, brackets and figures “CONTAINING (i) POLYESTER STAPLE FIBRE, AND (ii) ANY ONE OR MORE OF THE FOLLOWING FIBRES, NAMELY, COTTON, RAMIE AND ARTIFICIAL STAPLE FIBRES” shall be substituted;

(33) in Chapter 56, in heading No. 56.05,—

(a) sub-heading No. 5605.00 shall be omitted;

(b) in sub-heading No. 5605.10, for the entry in column (4), the entry “Rs. 106.25 per kilogram” shall be substituted;

(c) sub-heading No. 5605.20 shall be renumbered as sub-heading No. 5605.90;

(34) in Chapter 58,—

(a) in sub-heading No. 5805.19, in column (3), for the words “- -Other embroidery”, the word “- -Other” shall be substituted;

(b) in sub-heading No. 5805.90, in column (3), for the words “-Other embroidery”, the word “-Other” shall be substituted;

(35) in Chapter 59,—

(a) in heading No. 59.01, sub-heading No. 5901.00 shall be omitted;

(b) in heading No. 59.03, in column (3), the brackets, word and figures “(Chapter 52)” shall be omitted;

(c) in sub-heading No. 5903.19, for the entry in column (4), the entry “30% *plus* Rs. 6 per square metre *plus* the duty for the time being leviable on base fabrics, if not already paid” shall be substituted;

(d) after sub-heading No. 5903.19 and the entries relating thereto, in column (3), in the portion occurring before sub-heading No. 5903.21, the brackets, words and figures “(Chapter 54 or Chapter 55) shall be omitted;

(e) in sub-heading No. 5903.29, for the entry in column (4), the entry “30% *plus* Rs. 7.50 per square metre *plus* the duty for the time being leviable on base fabrics, if not already paid” shall be substituted;

(f) in sub-heading No. 5903.99, for the entry in column (4), the entry “30% *plus* Rs. 8 per square metre” shall be substituted;

(g) in sub-heading Nos. 5906.11, 5906.12 and 5906.19, in column (4), for the figures and abbreviation “15%”, the figures and abbreviation “30%” shall be substituted;

(36) in Chapter 69,—

(a) in sub-heading No. 6905.00, for the entry in column (4), the entry “30%” shall be substituted;

(b) in sub-heading No. 6906.10, for the entry in column (4), the entry “45%” shall be substituted;

(c) in sub-heading No. 6906.90, for the entry in column (4), the entry "30%" shall be substituted;

(37) in Chapter 70,—

(a) in sub-heading No. 7001.90, for the entry in column (4), the entry "40%" shall be substituted;

(b) in sub-heading No. 7002.10, in column (4), for the abbreviation and figures "Rs. 3.85", the abbreviation and figures "Rs. 3.75" shall be substituted;

(c) in sub-heading No. 7003.00, in column (4), for the abbreviation and figures "Rs. 3.35", the abbreviation and figures "Rs. 3.75" shall be substituted;

(d) in sub-heading No. 7004.10, for the entry in column (4), the entry "40%" shall be substituted;

(e) in sub-heading Nos. 7005.00, 7006.10, 7006.90, 7007.10, 7007.90 and 7008.90, for the entry in column (4), the entry "40%" shall be substituted;

(f) in sub-heading Nos. 7011.90, 7012.90 and 7013.90, for the entry in column (4), the entry "40%" shall be substituted;

(g) in sub-heading No. 7015.00, for the entry in column (4), the entry "40%" shall be substituted;

(38) in Chapter 72,—

(a) after NOTE 2, the following NOTE shall be inserted, namely:—

"3. Heading Nos. 72.01, 72.03, 72.04, 72.06, 72.07, 72.08, 72.09, 72.10, 72.11, 72.12 and 72.13 shall not apply to goods and materials of heading No. 72.15.;"

(b) in sub-heading No. 7209.90, for the entry in column (3), the entry "Other" shall be substituted;

(c) in sub-heading No. 7210.20, for the entry in column (4), the entry "15%" shall be substituted;

(d) sub-heading No. 7211.90 shall be renumbered as sub-heading No. 7211.40;

(e) in sub-heading No. 7212.60, for the entry in column (4), the entry "15%" shall be substituted;

(f) in sub-heading No. 7214.00, for the entry in column (4), the entry "15%" shall be substituted;

(39) in Chapter 73,—

(a) for the NOTE, the following NOTE shall be substituted, namely:—

"NOTES

1. NOTES of Chapter 72, shall, as far as they may be, apply also to this Chapter.

2. Heading Nos. 73.03, 73.04, 73.05, 73.06, 73.07 and 73.08 shall not apply to goods and materials of heading No. 73.09.;"

(b) sub-heading No. 7303.22 shall be renumbered as sub-heading No. 7303.27;

(c) in sub-heading Nos. 7305.00, 7308.20, 7308.30, 7308.49, 7308.50, 7308.60, 7308.70, 7308.80 and 7308.90, for the entry in column (4), the entry "15%" shall be substituted;

## (40) in Chapter 74,—

- (a) in sub-heading Nos. 7401.00 and 7402.00, for the entry in column (4), the entry "Rs. 3,300 per tonne" shall be substituted;
- (b) in sub-heading Nos. 7403.11 and 7403.19, for the entry in column (4), the entry "Rs. 6,200 per tonne" shall be substituted;
- (c) in sub-heading No. 7403.90, for the entry in column (4), the entry "Rs. 7,000 per tonne" shall be substituted;
- (d) in sub-heading No. 7404.00, for the entry in column (4), the entry "Rs. 4,500 per tonne" shall be substituted;
- (e) in sub-heading No. 7406.00, for the entry in column (4), the entry "Rs. 4,500 per tonne" shall be substituted;
- (f) in sub-heading Nos. 7407.00, 7408.00 and 7409.00, for the entry in column (4), the entry "15%" shall be substituted;
- (g) in sub-heading No. 7410.00, for the entry in column (4), the entry "Rs. 3,300 per tonne" shall be substituted;
- (h) in sub-heading No. 7411.00, for the entry in column (4), the entry "15%" shall be substituted;

(41) in Chapter 75, in sub-heading No. 7501.00, for the entry in column (4), the entry "15%" shall be substituted;

## (42) in Chapter 76,—

- (a) sub-heading No. 7603.90 shall be renumbered as sub-heading No. 7603.20;
- (b) in sub-heading No. 7610.00, for the entry in column (4), the entry "20%" shall be substituted;

## (43) in Chapter 78,—

- (a) in sub-heading No. 7801.00, for the entry in column (4), the entry "Rs. 930 per tonne" shall be substituted;
- (b) in sub-heading No. 7802.00, for the entry in column (4), the entry "Rs. 930 per tonne" shall be substituted;
- (c) in sub-heading Nos. 7803.00 and 7804.00, for the entry in column (4), the entry "17%" shall be substituted;
- (d) in sub-heading No. 7805.90, for the entry in column (4), the entry "Rs. 1,100 per tonne" shall be substituted;
- (e) in sub-heading Nos. 7806.00, 7807.00 and 7808.00, for the entry in column (4), the entry "15%" shall be substituted;

## (44) in Chapter 79,—

- (a) in sub-heading No. 7901.00, for the entry in column (4), the entry "Rs. 3,600 per tonne" shall be substituted;
- (b) in sub-heading No. 7902.00, for the entry in column (4), the entry "Rs. 3,600 per tonne" shall be substituted;
- (c) in sub-heading No. 7903.10, for the entry in column (4), the entry "Rs. 3,600 per tonne" shall be substituted;
- (d) in sub-heading No. 7903.20, for the entry in column (4), the entry "Rs. 4,200 per tonne" shall be substituted;
- (e) in sub-heading No. 7904.10, for the entry in column (4), the entry "Rs. 4,200 per tonne" shall be substituted;
- (f) in sub-heading No. 7904.90, for the entry in column (4), the entry "Rs. 4,200 per tonne" shall be substituted;

(g) in sub-heading No. 7905.00, for the entry in column (4), the entry "Rs. 5,225 per tonne" shall be substituted;

(h) in sub-heading No. 7906.00, for the entry in column (4), the entry "17%" shall be substituted;

(i) in sub-heading Nos. 7907.00 and 7908.00, for the entry in column (4), the entry "28%" shall be substituted;

(j) in sub-heading Nos. 7909.00 and 7910.00, for the entry in column (4), the entry "15%" shall be substituted;

(45) in Chapter 80, in sub-heading No. 8001.00, for the entry in column (4), the entry "15%" shall be substituted;

(46) in Chapter 81, in sub-heading No. 8101.00, for the entry in column (4), the entry "15%" shall be substituted;

(47) in Chapter 82,—

(a) in sub-heading Nos. 8201.10, 8201.90, 8202.10, 8202.90, 8203.80 and 8203.90, for the entry in column (4), the entry "20%" shall be substituted;

(b) in sub-heading Nos. 8205.00, 8206.00 and 8207.00, for the entry in column (4), the entry "15%" shall be substituted;

(c) in sub-heading Nos. 8208.80 and 8208.90, for the entry in column (4), the entry "20%" shall be substituted;

(48) in Chapter 83,—

(a) in sub-heading No. 8301.00, for the entry in column (4), the entry "15%" shall be substituted;

(b) in sub-heading Nos. 8302.90 and 8303.90, for the entry in column (4), the entry "20%" shall be substituted;

(c) in sub-heading Nos. 8304.20 and 8304.99, for the entry in column (4), the entry "25%" shall be substituted;

(d) in sub-heading Nos. 8305.00, 8306.00, 8307.00 and 8308.00, for the entry in column (4), the entry "15%" shall be substituted;

(e) in sub-heading No. 8309.20, for the entry in column (4), the entry "5 paise each" shall be substituted;

(f) in sub-heading No. 8309.90, for the entry in column (4), the entry "15%" shall be substituted;

(g) in sub-heading Nos. 8310.10, 8310.20, 8310.80, 8310.90, 8312.11, 8312.12, 8312.90, 8313.10, 8314.99 and 8315.00, for the entry in column (4), the entry "20%" shall be substituted;

(49) in Chapter 84,—

(a) in sub-heading Nos. 8401.00, 8402.00, 8403.00, 8404.00, 8405.00, 8406.00, 8410.00, 8411.00, 8412.00 and 8413.00, for the entry in column (4), the entry "15%" shall be substituted;

(b) in sub-heading No. 8414.10, for the entry in column (4), the entry "110% plus Rs. 12,000 per compressor" shall be substituted;

(c) in sub-heading No. 8415.00, for the entry in column (4), the entry "110% plus Rs. 15,000 per machine" shall be substituted;

(d) in sub-heading Nos. 8416.00 and 8417.00, for the entry in column (4), the entry "15%" shall be substituted;

(e) in sub-heading No. 8419.00, for the entry in column (4), the entry "110%" shall be substituted;

(f) in sub-heading No. 8420.00, for the entry in column (4), the entry "15%" shall be substituted;

(g) in heading No. 8423, in column (3), for the figure and words "5 MILLIGRAM OR BETTER", the figure and words "5 GENTIGRAMS OR BETTER" shall be substituted;

(h) in sub-heading Nos. 8424.00 and 8425.00, for the entry in column (4), the entry "15%" shall be substituted;

(i) in sub-heading No. 8427.00, for the entry in column (4), the entry "20%" shall be substituted;

(j) in sub-heading Nos. 8428.00, 8429.00, 8430.00, 8432.00, 8433.00, 8434.00, 8435.00, 8436.00, 8437.00, 8438.00, 8439.00, 8440.00, 8441.00, 8442.00, 8443.00, 8444.00, 8445.00, 8446.00, 8447.00, 8448.00 and 8449.00, for the entry in column (4), the entry "15%" shall be substituted;

(k) in sub-heading No. 8450.00, for the entry in column (4), the entry "30%" shall be substituted;

(l) in sub-heading Nos. 8451.00, 8453.00, 8454.00, 8455.00, 8456.00, 8457.00, 8458.00, 8459.00, 8460.00, 8461.00, 8462.00, 8463.00, 8464.00, 8465.00 and 8466.00, for the entry in column (4), the entry "15%" shall be substituted;

(m) in sub-heading No. 8467.00, for the entry in column (4), the entry "20%" shall be substituted;

(n) in sub-heading No. 8468.00, for the entry in column (4), the entry "15%" shall be substituted;

(o) in sub-heading No. 8469.00, for the entry in column (4), the entry "20% plus Rs. 5,000 per machine" shall be substituted;

(p) in sub-heading No. 8473.00, for the entry in column (4), the entry "20%" shall be substituted;

(q) in sub-heading Nos. 8474.00, 8475.00, 8477.00, 8478.00, 8479.00 and 8480.00, for the entry in column (4), the entry "15%" shall be substituted;

(r) in sub-heading No. 8482.00, for the entry in column (4), the entry "20%" shall be substituted;

(s) in sub-heading Nos. 8485.10 and 8485.90, for the entry in column (4), the entry "15%" shall be substituted;

(50) in Chapter 85.—

(a) in sub-heading No. 8502.00, for the entry in column (4), the entry "15%" shall be substituted;

(b) in sub-heading No. 8505.00, for the entry in column (4), the entry "20%" shall be substituted;

(c) in sub-heading No. 8506.00, for the entry in column (4), the entry "30%" shall be substituted;

(d) in sub-heading No. 8508.00, for the entry in column (4), the entry "20%" shall be substituted;

(e) in sub-heading Nos. 8509.00 and 8510.00, for the entry in column (4), the entry "30%" shall be substituted;

(f) in sub-heading Nos. 8513.00, 8514.00 and 8515.00, for the entry in column (4), the entry "15%" shall be substituted;

(g) in sub-heading No. 8516.00, for the entry in column (4), the entry "30%" shall be substituted;

(h) in sub-heading No. 8518.00, for the entry in column (4), the entry "25%" shall be substituted;

(i) in sub-heading Nos. 8526.00, 8529.00, 8530.00, 8531.00 and 8532.00, for the entry in column (4), the entry "15%" shall be substituted;

(j) in sub-heading No. 8534.00, for the entry in column (4), the entry "15%" shall be substituted;

(k) in sub-heading Nos. 8537.00, 8538.00, 8540.00, 8541.00, 8542.00 and 8543.00, for the entry in column (4), the entry "15%" shall be substituted;

(l) in sub-heading No. 8544.00, for the entry in column (4), the entry "30%" shall be substituted;

(m) in sub-heading No. 8545.00, for the entry in column (4), the entry "20%" shall be substituted;

(n) in sub-heading Nos. 8546.00, 8547.00 and 8548.00, for the entry in column (4), the entry "15%" shall be substituted;

(51) in Chapter 86, in sub-heading Nos. 8601.00, 8602.00, 8603.00, 8604.00, 8605.00, 8606.00, 8607.00, 8608.00 and 8609.00, for the entry in column (4), the entry "15%" shall be substituted;

(52) in Chapter 87,--

(a) for NOTE 4, the following NOTE shall be substituted, namely:--

"4. Heading No. 87.06 shall include chassis, whether or not fitted with a cab.";

(b) in sub-heading No. 8703.00, for the entry in column (4), the entry "35%" shall be substituted;

(c) in sub-heading No. 8704.00, for the entry in column (4), the entry "25%" shall be substituted;

(d) in sub-heading No. 8705.00, for the entry in column (4), the entry "25%" shall be substituted;

(e) in sub-heading No. 8706.30, for the entry in column (4), the entry "35%" shall be substituted;

(f) in sub-heading Nos. 8706.40 and 8706.50, for the entry in column (4), the entry "25%" shall be substituted;

(g) in heading No. 87.07, in column (3), for the figures "87.05", the figures "87.06" shall be substituted;

(h) in sub-heading Nos. 8709.00 and 8710.00, for the entry in column (4), the entry "20%" shall be substituted;

(i) in sub-heading No. 8711.00, for the entry in column (4), the entry "25%" shall be substituted;

(j) in sub-heading No. 8714.00, for the entry in column (4), the entry "20%" shall be substituted;

(k) in sub-heading No. 8715.00, for the entry in column (4), the entry "15%" shall be substituted;

(l) in sub-heading No. 8716.00, for the entry in column (4), the entry "15%" shall be substituted;

(53) in Chapter 88, in sub-heading Nos. 8801.00, 8802.00, 8803.00, 8804.00 and 8805.00, for the entry in column (4), the entry "15%" shall be substituted;

(54) in Chapter 89, in sub-heading Nos. 8901.00, 8902.00, 8903.00, 8904.00, 8905.00, 8906.00 and 8907.00, for the entry in column (4), the entry "15%" shall be substituted;

(55) in Chapter 90,—

(a) in sub-heading Nos. 9001.00, 9002.00, 9003.90 and 9005.00, for the entry in column (4), the entry "15%" shall be substituted;

(b) in sub-heading No. 9007.00, for the entry in column (4), the entry "40%" shall be substituted;

(c) in sub-heading Nos. 9008.00, 9010.00, 9011.00, 9012.00, 9013.60, 9014.00 and 9015.00, for the entry in column (4), the entry "15%" shall be substituted;

(d) in sub-heading Nos. 9017.00 and 9018.00, for the entry in column (4), the entry "15%" shall be substituted;

(e) in sub-heading No. 9019.00, for the entry in column (4), the entry "30%" shall be substituted;

(f) in sub-heading Nos. 9020.00, 9021.00, 9022.00, 9023.00, 9024.00, 9025.00, 9026.00, 9027.00, 9028.00, 9029.00, 9030.00 and 9031.00, for the entry in column (4), the entry "15%" shall be substituted;

(g) in sub-heading No. 9032.12, for the entry in column (4), the entry "15%" shall be substituted;

(h) in sub-heading No. 9033.00, for the entry in column (4), the entry "15%" shall be substituted;

(56) in Chapter 91, in sub-heading Nos. 9101.00, 9102.00, 9103.00, 9104.00, 9105.00, 9107.00, 9108.00, 9109.00, 9110.00, 9111.00, 9112.00, 9113.00 and 9114.00, for the entry in column (4), the entry "15%" shall be substituted;

(57) in Chapter 92, in sub-heading Nos. 9201.00, 9202.00, 9203.00, 9204.00, 9205.00, 9206.00, 9207.00, 9208.00 and 9209.00, for the entry in column (4), the entry "15%" shall be substituted;

(58) in Chapter 93, in sub-heading Nos. 9302.00, 9303.00, 9304.00, 9305.00, 9306.00 and 9307.00, for the entry in column (4), the entry "15%" shall be substituted;

(59) in Chapter 94, in sub-heading No. 9406.00, for the entry in column (4), the entry "15%" shall be substituted;

(60) in Chapter 95, in sub-heading Nos. 9501.00, 9502.00, 9503.00, 9505.00, 9506.00, 9507.00 and 9508.00, for the entry in column (4), the entry "15%" shall be substituted;

(61) in Chapter 96,—

(a) in sub-heading Nos. 9601.00, 9602.00, 9603.00, 9604.00, 9605.90, 9606.00, 9608.00, 9609.00 and 9611.00, for the entry in column (4), the entry "15%" shall be substituted;

(b) in sub-heading No. 9612.00, for the entry in column (4), the entry "25%" shall be substituted;

(c) in sub-heading No. 9613.10, for the entry in column (4), the entry "Rs. 4 per lighter" shall be substituted:

(d) in sub-heading Nos. 9613.90, 9614.00, 9615.00, 9616.00 and 9618.00, for the entry in column (4), the entry "15%" shall be substituted.

## PART II

Heading No.	Sub-heading No.	Description of goods	Rate of duty
(1)	(2)	(3)	(4)

In the Schedule to the Central Excise Tariff Act,—

(1) in Chapter 11, for heading No. 11.01, the following heading shall be substituted, namely :—

"11.01 PRODUCTS OF THE MILLING INDUSTRY, INCLUDING FLOURS, CROATS, MEAL AND GRAINS OF CEREALS, AND FLOUR, MEAL OR FLAKES OF VEGETABLES

—Put up in unit containers and ordinarily intended for sale :

1101.11	—Grains, hulled, rolled, flaked, pearlled, sliced or kibbled, of barley or oats	15%
1101.19	—Other	15%
1101.90	—Other	Nil" ;

(2) in Chapter 17, for sub-heading No. 1703.10, the following sub-heading shall be substituted, namely :—

"1703.10 —Molasses produced in the manufacture of sugar by the Rs. 500 per vacuum pan process tonne" ;

(3) in Chapter 22,—

(a) for heading No. 22.01, the following heading shall be substituted, namely :—

"22.01 NATURAL OR ARTIFICIAL MINERAL WATERS AND AERATED WATERS, NOT CONTAINING ADDED SUGAR OR OTHER SWEETENING MATTER, NOT FLAVOURED; ICE

—Aerated waters, not containing added sugar or other sweetening matter, not flavoured :

2201.11	—For each glass bottle containing 200 millilitres or less	10 paise
2201.12	—For each glass bottle containing more than 200 millilitres	10 paise plus 5 paise for every 100 millilitres or fraction thereof in excess of 200 millilitres
2201.19	—Other	40%
2201.90	—Other	12%" ;

(b) in heading No. 22.02, after sub-heading No. 2202.14, the following sub-heading shall be inserted, namely :—

"2202.19 —Other 60%" ;

(c) after heading No. 22.03, the following heading shall be inserted, namely :—

"22.04 2204.00 ETHYL ALCOHOL, OF ANY GRADE (INCLUDING SUCH ALCOHOL WHEN DENATURED OR OTHERWISE TREATED), WHETHER BY ITSELF OR IN ADMIXTURE WITH ANY OTHER SUBSTANCE, IS SUITABLE FOR BEING USED AS FUEL FOR SPARK-IGNITION ENGINES. Rs. 2,253.88 per kilolitre at 15°C" ;

Heading No.	Sub-heading No.	Description of goods	Rate of duty
(1)	(2)	(3)	(4)
(4) in Chapter 24, for sub-heading No. 2404.32, the following sub-heading shall be substituted, namely :—			
	"2404.39	— Other	Rs. 2.85 per thousand";
(5) in Chapter 25, after sub-heading No. 2504.39, the following sub-heading shall be inserted, namely :—			
	"2504.90	— Other	12%";
(6) in Chapter 27, for heading No. 27.07, the following heading shall be substituted, namely :—			
"27.07	OILS AND OTHER PRODUCTS OF THE DISTILLATION OF HIGH TEMPERATURE COAL TAR; SIMILAR PRODUCTS IN WHICH THE WEIGHT OF THE AROMATIC CONSTITUENTS EXCEEDS THAT OF THE NON-AROMATIC CONSTITUENTS		
	2707.10	— Benzole	Rs. 2750 per kilolitre at 15°C
	2707.20	— Toluole	Rs. 2750 per kilolitre at 15°C
	2707.30	— Xylole	Rs. 2750 per kilolitre at 15°C
	2707.40	— Naphthalene	12%
	2707.50	— Phenols	15%
	2707.60	— Creosote oils	Rs. 200 per kilolitre at 15°C
	2707.90	— Other	Rs. 2750 per kilolitre at 15°C";]
(7) in Chapter 28, for sub-heading No. 2804.30, the following sub-heading shall be substituted, namely :—			
	"2804.30	— Zinc oxide	10%";]
(8) in Chapter 32, for heading No. 32.04, the following heading shall be substituted, namely :—			
"32.04	SYNTHETIC ORGANIC COLOURING MATTER, WHETHER OR NOT CHEMICALLY DEFINED; PREPARATIONS BASED ON SYNTHETIC ORGANIC COLOURING MATTER AS SPECIFIED IN NOTE 2 TO THIS CHAPTER; SYNTHETIC ORGANIC PRODUCTS OF A KIND USED AS FLUORESCENT BRIGHTENING AGENTS OR AS LUMINOPHORES, WHETHER OR NOT CHEMICALLY DEFINED		
	— Pigments and preparations based thereon :		
	3204.11	— In unformulated or unstandardised or unprepared forms, not ready for use	6.1%
	3204.19	— Other	60%
		— Synthetic organic dyes and preparations based thereon :	
	3204.21	— In unformulated or unstandardised or unprepared forms, not ready for use	6.1%
	3204.29	— Other	6.1%
	3204.30	— Synthetic organic products of a kind used as fluorescent brightening agents or as luminophores	35%
	3204.90	— Other	95%";

Heading No.	Sub-heading No.	Description of goods	Rate of duty
(1)	(2)	(3)	(4)
(9) in Chapter 33, in heading No. 33.02, for sub-heading Nos. 3202.10 and 3202.90, the following sub-headings shall be substituted, namely :—			
	“3302.10	-Of a kind used in the food or beverage industry	20%
	3302.90	-Other	20%”;
(10) in Chapter 39,—			
	(a) for sub-heading No. 3909.70, the following sub-heading shall be substituted, namely :—		
	“3909.60	-Polyurethanes	75%”;
	(b) for heading No. 39.33, the following heading shall be substituted, namely :—		
“39.33	OTHER ARTICLES OF PLASTICS AND ARTICLES OF MATERIALS OF HEADING NOS. 39.01 TO 39.14		
	3902.10	-Articles of polyurethane foam	75%
	3902.90	-Other	20%”;
(11) in Chapter 40,—			
	(a) for heading No. 40.01, the following heading shall be substituted, namely :—		
“40.01	4001.00	NATURAL RUBBER, BALATA, GUTTA PERCHA, GUAYULE, CHICLE AND SIMILAR NATURAL GUMS, IN PRIMARY FORMS OR IN PLATES, SHEETS OR STRIPS	15%”;
	(b) for sub-heading No. 4009.93, the following sub-heading shall be substituted, namely :—		
	“4009.92	-Designed to perform the function of conveying air, gas or liquid	30%”;
(12) in Chapter 48,—			
	(a) for sub-heading No. 4805.90, the following sub-heading shall be substituted, namely :—		
	“4805.90	-Other	10% plus Rs. 1,550 per tonne”
	(b) for sub-heading No. 4818.12, the following sub-heading shall be substituted, namely :—		
	“4818.12	-Printed cartons, boxes, containers and cases, made wholly out of paper or paper-board of heading No. or sub-heading No. 48.04, 4805.11, 4805.19, 4807.91, 4807.92, 48.08 or 4811.10, as the case may be	35%”;
(13) in Chapter 52,—			
	(a) for sub-heading No. 5209.12, the following sub-headings shall be substituted, namely :—		
	“5209.12	-Of value exceeding rupees twenty-five, but not exceeding rupees fifty, per square metre	Rs. 1.60 per square metre
	5209.13	-Of value exceeding rupees fifty per square metre	Rs. 1.60 per square metre”;
	(b) for sub-heading No. 5209.22, the following sub-headings shall be substituted, namely :—		
	“5209.22	-Of value exceeding rupees twenty-five, but not exceeding rupees fifty, per square metre	8% plus Rs. 1.60 per square metre

Heading No.	Sub-heading No.	Description of goods	Rate of duty
(1)	(2)	(3)	(4)
5209.29	—Of value exceeding rupees fifty per square metre		8% plus Rs. 1.60 per square metre";
(c) for sub-heading No. 5210.20, the following sub-headings shall be substituted, namely :—			
“5210.20	—Of value exceeding rupees twenty-five, but not exceeding rupees fifty, per square metre		4% plus Rs. 1.60 per square metre
5210.30	—Of value exceeding rupees fifty per square metre		4% plus Rs. 1.60 per square metre";
(d) for heading No. 52.11, the following heading shall be substituted, namely :—			
“52.11	COTTON FABRICS,—		
(a) WOVEN,			
(b) SUBJECTED TO THE PROCESS OF BLEACHING, MERCERISING, DYEING, PRINTING, WATER PROOFING, SHRINK-PROOFING, ORGANDIE PROCESSING OR ANY OTHER PROCESS OR ANY TWO OR MORE OF THESE PROCESSES,			
(c) CONTAINING (i) COTTON, AND (ii) POLYESTER STAPLE FIBRE, AND			
(d) OF VALUE EXCEEDING RUPEES TWENTY-FIVE PER SQUARE METRE			
5211.10	—Of value exceeding rupees twenty-five, but not exceeding rupees fifty, per square metre		8% plus Rs. 1.60 per square metre
5211.20	—Of value exceeding rupees fifty per square metre		8% plus Rs. 1.60 per square metre";
(e) in Chapter 58, after sub-heading No. 5303.39, the following sub-heading shall be inserted, namely :—			
“5303.90	—Other		Nil";
(f) in Chapter 54,—			
(a) for heading No. 54.01, the following heading shall be substituted, namely :—			
“54.01	WASTE		
5401.10	—Of synthetic filaments		Rs. 9 per kilogram or 50% whichever is less
5401.20	—Of artificial filaments		Rs. 1 per kilogram
5401.90	—Other		Rs. 9 per kilogram or 50% whichever is less";
(b) for sub-headings Nos. 5404.26 and 5404.27, the following sub-headings shall be substituted, namely :—			
“5404.96	—350 deniers and above but not above 1100 deniers	Rs. 4.18 per kilogram	

Heading No.	Sub-heading No.	Description of goods	Rate of duty
(1)	(2)	(3)	(4)
	5404.97	-- Above 1100 deniers	Rs. 2.79 per kilogram",
(c)	for sub-heading No. 5409.60,	the following sub-headings shall be substituted, namely:—	
	"5409.60	- Of value exceeding rupees twenty-five, but not exceeding rupees fifty, per square metre	Nil
	5409.70	- Of value exceeding rupees fifty per square metre	Nil;
(d)	for sub-heading No. 5412.20,	the following sub-headings shall be substituted, namely:—	
	"5412.20	- Of value exceeding rupees twenty-five, but not exceeding rupees fifty, per square metre	Nil;
	5412.30	- Of value exceeding rupees fifty per square metre	Nil;
(16)	in Chapter 55,—		
(a)	for sub-heading No. 5508.60,	the following sub-headings shall be substituted, namely:—	
	"-Of value exceeding rupees twenty-five, but not exceeding rupees fifty; per square metre :		
	5508.61	-- Containing polyester fibre	Nil
	5508.69	-- Other	Nil
		- Of value exceeding rupees fifty per square metre :	
	5508.71	-- Containing polyester fibre	Nil
	5508.79	-- Other	Nil";
(b)	for sub-heading No. 5511.12,	the following sub-headings shall be substituted, namely:—	
	"5511.12	-- Of value exceeding rupees twenty-five, but not exceeding rupees fifty, per square metre	Nil
	5511.13	-- Of value exceeding rupees fifty per square metre	Nil";
(c)	for sub-heading Nos. 5511.28 and 5511.29,	the following sub-headings shall be substituted, namely:—	
	"5511.27	-- Other fabrics of value not exceeding rupees twenty-five per square metre	Nil
	5511.28	-- Other fabrics of value exceeding rupees twenty-five, but not exceeding rupees fifty, per square metre	Nil
	5511.29	-- Other fabrics of value exceeding rupees fifty per square metre	Nil";
(d)	for sub-heading No. 5512.12,	the following sub-headings shall be substituted, namely:—	
	"5512.12	-- Of value exceeding rupees twenty-five, but not exceeding rupees fifty, per square metre	Nil
	5512.13	-- Of value exceeding rupees fifty per square metre	Nil";
(e)	for sub-headings Nos. 5512.28 and 5512.29,	the following sub-headings shall be substituted, namely:—	
	"5512.27	-- Other fabrics of value not exceeding rupees twenty-five per square metre	Nil
	5512.28	-- Other fabrics of value exceeding rupees twenty-five, but not exceeding rupees fifty, per square metre	Nil

Heading No.	Sub-heading No.	Description of goods	Rate of duty
(1)	(2)	(3)	(4)
5512.29		- Other fabrics of value exceeding rupees fifty per square metre	Nil" ;
(17)	in Chapter 69, for sub-heading No. 6904.90, the following sub-heading shall be substituted, namely :—		
	"6904.90 - Of stoneware		30%" ;
(18)	in Chapter 70,—		
	(a) for sub-heading No. 7002.90, the following sub-heading shall be substituted, namely :—		
	"7002.90 - Not tinted		Rs. 9.50 per millimetre thickness or part thereof per square metre" ;]
	(b) for sub-heading No. 7004.90, the following sub-heading shall be substituted, namely :—		
	"7004.90 - Laminated safety glass		50%" ;
	(c) for sub-heading No. 7010.90, the following sub-heading shall be substituted, namely :—		
	"7010.90 - Glass chimneys		10%" ;
	(d) for heading No. 70.14, the following heading shall be substituted, namely :—		
"70.14	7014.00	GLASS FIBRES (INCLUDING GLASS WOOL AND GLASS FILAMENTS) AND ARTICLES THEREOF (FOR EXAMPLE, YARN, WOVEN FABRICS), WHETHER OR NOT IMPREGNATED, COATED, COVERED OR LAMINATED WITH PLASTICS OR VARNISH	30%" ;
(19)	in Chapter 72,—		
	(a) for heading No. 72.13, the following heading shall be substituted, namely :—		
"72.13		IRON OR STEEL WIRE, WHETHER OR NOT COATED BUT NOT INSULATED	
	7213.10	- Electric resistance wire (including electric resistance heating wire)	10%
	7213.90	- Other	Rs. 36 $\frac{1}{2}$ per tonne" ;
	(b) after heading No. 72.14, the following heading shall be inserted, namely :—		
"72.15	7215.00	GOODS AND MATERIALS OF HEADING NOS. 72.09, 72.06, 72.07, 72.08, 72.09, 72.10, 72.11, 72.12 AND 72.13 OBTAINED BY BREAKING UP OF SHIPS, BOATS AND OTHER FLOATING STRUCTURES	Rs. 1,800 per tonne" ;
(20)	in Chapter 73,—		
	(a) for sub-heading No. 7302.20, the following sub-heading shall be substituted, namely :—		
	"7302.90 - Other		15%" ;
	(b) after heading No. 73.08, the following heading shall be inserted, namely :—		
"73.09	7309.00	GOODS AND MATERIALS OF HEADING NOS. 73.03, 73.04, 73.05, 73.06, 73.07 AND 73.08 OBTAINED BY BREAKING UP OF SHIPS, BOATS AND OTHER FLOATING STRUCTURES	Rs. 1,800 per tonne" ;

Heading No.	Sub-heading No.	Description of goods	Rate of duty
(1)	(2)	(3)	(4)
<b>(21) in Chapter 74,—</b>			
(a) for heading No. 74.05, the following heading shall be substituted, namely :—			
“74.05		<b>COPPER WIRE</b>	
	7405.10	- Electric Wire	20%
	7405.90	- Other	Nil”;
(b) for heading No. 74.12, the following headings shall be substituted, namely :—			
“74.12	7412.00	STRANDED WIRES, CABLES, PLAITED BANDS AND THE LIKE OF COPPER, NOT ELECTRICALLY INSULATED	20%
“74.13		<b>OTHER ARTICLES OF COPPER</b>	
	7413.10	- Nails, tacks, drawing pins, staples (other than those of heading No. 83.05) and similar goods, of copper, or of iron or steel with heads of copper; rivets, coppers, cotter-pins, washers (including spring washers) and similar articles of copper	15%
	7413.20	- Copper springs; chain and parts thereof	15%
	7413.30	- Cooking or heating apparatus of a kind used for domestic purposes (other than pressure cookers), non-electric, and parts thereof, of copper	15%
	7413.90	- Other	15%”;
(22) in Chapter 76, for heading No. 76.12, the following headings shall be substituted, namely :—			
“76.12	7612.00	STRANDED WIRES, CABLES, PLAITED BANDS AND THE LIKE OF ALUMINIUM, NOT ELECTRICALLY INSULATED	20%
76.13		<b>OTHER ARTICLES OF ALUMINIUM</b>	
	7613.10	- Utensils made of aluminium	Nil
	7613.20	- Nails, tacks, staples (other than those of heading No. 83.05), rivets, coppers, cotter-pins, washers and similar articles	20%
	7613.30	- Sanitaryware and parts thereof	20%
	7613.90	- Other	20%”;
(23) in Chapter 84,—			
(a) for sub-heading No. 8414.90, the following sub-headings shall be substituted, namely :—			
	“-Parts and accessories :		
	8414.91	- Of goods covered by sub-heading No. 8414.10	110%
	8414.99	- Other	15%”;
(b) for heading No. 84.22, the following heading shall be substituted, namely :—			
“84.22		DISH WASHING MACHINES; MACHINERY FOR CLEANING OR DRYING BOTTLES AND OTHER CONTAINERS; MACHINERY FOR FILLING, CLOSING, SEALING, CAPSULING OR LABELLING BOTTLES, CANS, BOXES, BAGS OR OTHER CONTAINERS; OTHER PACKING OR WRAPPING MACHINERY; MACHINERY FOR AERATING BEVERAGES	
	8422.10	- Dish washing machines	30%
	8422.90	- Other	20%” ;

Heading No.	Sub-heading No.	Description of Goods	Rate of duty
(1)	(2)	(3)	(4)
(a) for heading No. 84.76, the following heading shall be substituted, namely :—			
"84.76		AUTOMATIC GOODS-VENDING MACHINES (FOR EXAMPLE POSTAGE STAMP, CIGARETTE, FOOD OR BEVERAGE MACHINES), INCLUDING MONEY-CHANGING MACHINES	
		- Machines :	
	8476.11	-- Incorporating refrigerating devices	110%
	8476.19	-- Other	20%
		- Parts :	
	8476.91	-- Parts of machines of sub-heading No. 8476.11	110%
	8476.99	-- Other ;	20%"
(a) for sub-heading No. 8481.90, the following sub-heading shall be substituted, namely :—			
	8481.80	- Other	15%
		- Parts :	
	8481.91	-- Of goods covered by sub-heading No. 8481.10	110%
	8481.99	-- Other	15%"
(24) in Chapter 90,—			
(a) for heading No. 90.16, the following heading shall be substituted, namely :—			
"90.16		BALANCES OF A SENSITIVITY OF 5 CENTI-GRAMS OR BETTER	
	9016.10	- Balances	15%
	9016.90	- Parts	15%"
(b) for sub-heading Nos. 9032.20 and 9032.90, the following sub-headings shall be substituted, namely :—			
	9032.80	- Other instruments and apparatus	15%
		- Parts and accessories :	
	9032.91	-- Of goods covered by sub-heading No. 9032.11	110%
	9032.99	-- Other	15%"

## THE FOURTH SCHEDULE

(See section 55)

## PART I

In the First Schedule to the Additional Duties of Excise Act,—

(1) in heading No. 17.01, after sub-heading No. 1701.20, in column (3), for the entry “-Cane sugar, other than khandsari sugar:”, the entry “-Sugar, other than khandsari sugar:” shall be substituted;

(2) in heading No. 24.02, after sub-heading No. 2402.10, in column (3), for the entry “-Bearing a brand name and of which the value per thousand:”, the entry “-Bearing a brand name and of which the value per hundred:” shall be substituted;

(3) in sub-heading Nos. 5206.31, 5206.32, 5206.33, 5206.34, 5206.35, 5206.36, 5206.37, 5206.38, 5206.39 and 5206.90, for the entry in column (4); the entry "10% plus Rs. 5 per square metre" shall be substituted;

(4) in heading No. 52.09, in column (3), for the words, brackets and figures "CONTAINING (i) COTTON, AND (ii) POLYESTER STAPLE FIBRE (WHETHER OR NOT CONTAINING POLYESTER FILAMENT YARN BUT NOT ANY OTHER TEXTILE MATERIAL)", the words, brackets and figures "CONTAINING (i) COTTON, AND (ii) POLYESTER STAPLE FIBRE OR POLYESTER FILAMENT YARN, OR BOTH (NOT CONTAINING ANY OTHER TEXTILE MATERIAL)" shall be substituted;

(5) in sub-heading Nos. 5209.11, 5209.21 and 5210.10, for the entry in column (4), the entry "10% plus Rs. 5 per square metre" shall be substituted;

(6) in sub-heading Nos. 5409.10, 5409.20, 5409.30, 5409.40, 5409.50 and 5412.10, for the entry in column (4), the entry "10% plus Rs. 5 per square metre" shall be substituted;

(7) in sub-heading Nos. 5508.10, 5508.20, 5508.30, 5508.40, 5508.50, and 5511.11, for the entry column (4), the entry "10% plus Rs. 5 per square metre" shall be substituted;

(8) in heading No. 55.12, in column (3), for the words, brackets and figures "CONTAINING (i) COTTON, (ii) POLYESTER STAPLE FIBRE, AND (iii) RAMIE OR ANY ONE OR MORE OF ARTIFICIAL STAPLE FIBRES", the words, brackets and figures "CONTAINING (i) POLYESTER STAPLE FIBRE, AND (ii) ANY ONE OR MORE OF THE FOLLOWING FIBRES, NAMELY, COTTON, RAMIE, AND ARTIFICIAL STAPLE FIBRES" shall be substituted;

(9) in sub-heading No. 5512.11, for the entry in column (4), the entry "10% plus Rs. 5 per square metre" shall be substituted;

(10) in sub-heading No. 5903.19, in column (4), for the figure and abbreviation "5%", the figures, abbreviations and words "5% plus Rs. 2 per square metre" shall be substituted;

(11) in sub-heading No. 5903.29, in column (4), for the figure and abbreviation "5%", the figures, abbreviations and words "5% plus Rs. 2.50 per square metre" shall be substituted.

## PART II

Heading No.	Sub- heading No.	Description of goods	Rate of additional duty
(1)	(2)	(3)	(4)

In the First Schedule to the Additional Duties of Excise Act,—

(a) for sub-heading No. 5209.12, the following sub-headings shall be substituted, namely:—

"5209.12 -- Of value exceeding rupees twenty-five, but not exceeding rupees fifty, per square metre	10% plus Rs. 5 per square metre
---	--

Heading No.	Sub-heading No.	Description of goods	Rate of additional duty
(1)	(2)	(3)	(4)
5209.13	- - Of value exceeding rupees fifty per square metre	10% plus Rs. 5 per square metre";	
(b) for sub-heading No. 5209.22, the following sub-headings shall be substituted, namely :—			
"5209.22	- - Of value exceeding rupees twenty-five, but not exceeding rupees fifty, per square metre	10% plus Rs. 5 per square metre	
5209.23	- - Of value exceeding rupees fifty per square metre	10% plus Rs. 5 per square metre";	
(c) for sub-heading No. 5210.20, the following sub-headings shall be substituted, namely :—			
"5210.20	- - Of value exceeding rupees twenty-five, but not exceeding rupees fifty, per square metre	10% plus Rs. 5 per square metre	
5210.30	- - Of value exceeding rupees fifty per square metre	10% plus Rs. 5 per square metre";	
(d) for heading No. 52.11, the following heading shall be substituted, namely :—			
"52.11	COTTON FABRICS,—		
(e) WOVEN,			
(f) SUBJECTED TO THE PROCESS OF BLEACHING, MERCERISING, DYEING, PRINTING, WATER-PROOFING, SHRINK-PROOFING, ORGANIE PROCESSING OR ANY OTHER PROCESS OR ANY TWO OR MORE OF THESE PROCESSES,			
(g) CONTAINING (f) COTTON, AND			
(h) POLYESTER STAPLE FIBRE, AND			
(i) OF VALUE EXCEEDING RUPEES TWENTY-FIVE PER SQUARE METRE			
5211.10	- Of value exceeding rupees twenty-five, but not exceeding rupees fifty, per square metre	10% plus Rs. 5 per square metre	
5211.20	- - Of value exceeding rupees fifty per square metre	10% plus Rs. 5 per square metre";	
(j) for sub-heading No. 5409.60, the following sub-headings shall be substituted, namely :—			
"5409.60	- Of value exceeding rupees twenty-five, but not exceeding rupees fifty, per square metre	10% plus Rs. 5 per square metre	
5409.70	- Of value exceeding rupees fifty per square metre	10% plus Rs. 5 per square metre";	

Heading No.	Sub-heading No.	Description of goods	Rate of additional duty
(1)	(2)	(3)	(4)
<i>(f) for sub-heading No. 5412.20, the following sub-headings shall be substituted, namely :—</i>			
5412.20	— Of value exceeding rupees twenty-five, but not exceeding rupees fifty, per square metre	10% plus Rs. 5 per square metre	
5412.30	— Of value exceeding rupees fifty per square metre	10% plus Rs. 5 per square metre";	
<i>(g) for sub-heading No. 5508.60, the following sub-headings shall be substituted, namely :—</i>			
5508.60	— Of value exceeding rupees twenty-five, but not exceeding rupees fifty, per square metre :	10% plus Rs. 5 per square metre	
5508.61	— Containing polyester fibre	10% plus Rs. 5 per square metre	
5508.69	— Other	10% plus Rs. 5 per square metre	
	— Of value exceeding rupees fifty per square metre ;		
5508.71	— Containing polyester fibre	10% plus Rs. 5 per square metre	
5508.79	— Other	10% plus Rs. 5 per square metre";	
<i>(h) for sub-heading No. 5511.12, the following sub-headings shall be substituted, namely :—</i>			
5511.12	— Of value exceeding rupees twenty-five, but not exceeding rupees fifty, per square metre	10% plus Rs. 5 per square metre	
5511.13	— Of value exceeding rupees fifty per square metre	10% plus Rs. 5 per square metre";	
<i>(i) for sub-headings Nos. 5511.28 and 5511.29, the following sub-headings shall be substituted, namely :—</i>			
5511.27	— Other fabrics of value not exceeding rupees twenty-five per square metre	10% plus Rs. 5 per square metre	
5511.28	— Other fabrics of value exceeding rupees twenty-five, but not exceeding rupees fifty, per square metre	10% plus Rs. 5 per square metre	
5511.29	— Other fabrics of value exceeding rupees fifty per square metre	10% plus Rs. 5 per square metre";	
<i>(j) for sub-heading No. 5512.12, the following sub-headings shall be substituted, namely :—</i>			
5512.12	— Of value exceeding rupees twenty-five, but not exceeding rupees fifty, per square metre	10% plus Rs. 5 per square metre	

Heading No.	Sub-heading No.	Description of goods	Rate of additional duty
(1)	(2)	(3)	(4)
5512.13	—	Of value exceeding rupees fifty per square metre	10% plus Rs. 5 per square metre";
(b) for sub-heading Nos. 5512.28 and 5512.29, the following sub-headings shall be substituted, namely:—			
	5512.27	Other fabrics of value not exceeding rupees twenty-five per square metre	10% plus Rs. 5 per square metre
	5512.28	Other fabrics of value exceeding rupees twenty-five, but not exceeding rupees fifty, per square metre	10% plus Rs. 5 per square metre
	5512.29	Other fabrics of value exceeding rupees fifty per square metre	10% plus Rs. 5 per square metre."

## THE FIFTH SCHEDULE

(See section 56)

S. No.	Description of goods
40 of 1978.	In the Schedule to the Additional Duties of Excise (Textiles and Textile Articles) Act, 1978, after S. No. 8 and the entries relating thereto, the following S. Nos. and entries shall be inserted, namely:—
9.	Metallised yarn, falling within heading No. 56.05.
10.	Embroidery in the piece, in strips or in motifs, falling within heading No. 58.05."

C. RAMAN MENON,  
Additional Secy. to the Govt. of India.